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BSP Outlines Tasks for Program Government

93BA0311A Sofia DUMA in Bulgarian 26 Nov 92
pp 1-2

[Position of the Executive Bureau of the Bulgarian Socialist Party and the Parliamentary Union for Social Democracy on the tasks of a programmatic national consensus government]

[Text]

For Constitutional Order and Legality

The government will carry out its activities in accordance with the principles and stipulations of the Constitution of a democratic, law-governed, and social state.

Priorities

Replacing the power policy of confrontation with a policy of national accord in order to reach a consensus on the basic problems facing the nation, through dialogue and the necessary compromise;

Unblocking the economic reform by combining financial stabilization with a new structural policy aimed at changing the system;

Ensuring an acceptable balance between the principles and requirements of a market economy and the minimally necessary social guarantees;

Preserving and fully involving the intellectual capital of the nation—the creative, scientific, and technical intelligentsia—in the national effort to stabilize the society and ensure the success of the reform;

Creating favorable external conditions for the integration of Bulgaria within the European and global political and economic structures as a guarantee for the advancement and national security of the nation.

Tasks

In accordance with these priorities, the government will have to concentrate its attentions on the implementation of the following basic tasks:

Consensus

1. Constructively interact with the basic institutions of the state—parliament, the president, the legal system, and the local authorities—while strictly observing the constitutional requirement of the division of powers.

2. Draft reliable legislation and conditions for a constitutionally guaranteed change in the judicial system and for strengthening its personnel and ensuring its real independence from the other powers.

3. Ensure public order and security for the citizens and their associations, take efficient steps in the struggle against criminal and economic delinquency, and guarantee the protection of civil rights.

4. Develop a modern tripartite system which would coordinate interests of the state, the employers, and the trade unions on the basis of equal dialogue and consensus in decision making.

5. Encourage laying the foundations for a civil society with reliable protection of the individual and guarantee the possibility of the citizens to set up associations for the collective protection of their interests—party, trade union, cooperative, etc.

6. Assist in ensuring party neutrality in the work of national security services.

7. Guarantee the independence of the Bulgarian Orthodox Church and the other faiths and prevent any outside interference in their affairs.

The Reform

8. Work for the true stabilization of the economy by encouraging production and mastering inflation with modern instruments for state economic control while preventing any hasty withdrawal from or administrative interference in the economy.

9. Formulate a concept for a national industrial policy with specific priorities in the various economic sectors, based on their relative advantages from the viewpoint of international markets.

10. Provide an incentive to the agrarian reform by accelerating the restoration of the rights of owners over the land and the property of the closed down agricultural organizations and encourage the free formation of new production structures—both private and cooperative.

11. Formulate a policy for assisting the various areas experiencing grave socioeconomic problems and take urgent steps to surmount the worst difficulties.

12. Stabilize the activities of state companies and enterprises as independent participants in a market economy, free from direct control by ministries and departments, on the basis of a permanent resolution of the problem of their indebtedness.

13. Take priority steps to ensure the accelerated development of a fully active private sector in the economy by encouraging private economic initiative, and create conditions for accelerated privatization with the participation of the broadest possible social circles.

14. Lay the foundations for a legal system and the necessary state institutions which would ensure the normal functioning of a modern market economy, such as legislation for loyal competition and general "rules of the game," for a taxation system and state administration, and so on.

Social Guarantees

15. Formulate and urgently undertake the implementation of programs for limiting unemployment and opening new jobs in accordance with the priorities of the

national structural policy and retraining and guaranteeing the minimal necessary income to the unemployed.

16. Provide the necessary protection from inflation by putting an end to the further decline in the real purchasing power of the average wage and, if possible, make a turn to its gradual increase possible.

17. Introduce the indexing of pensions on a quarterly basis to compensate for increased prices of the consumer basket representing the social minimum.

18. Act in favor of developing broad social strata with average economic possibilities by creating conditions for income differentiation on the basis of initiative, effort, and talent and, at the same time, oppose excessive property polarization within society.

On the Nation's Intellect

19. Provide the necessary minimum of funds for maintaining activities in science, education, and culture, consistent with national priorities and values.

20. Ensure the observance of objective criteria and legal stipulations as the sole foundation for the further restructuring and cadre strengthening of organizations in science, education, and culture.

External Conditions

21. Take all the necessary actions to ensure access to foreign markets for Bulgarian producers and exporters, both traditional (to the countries of the CIS [Commonwealth of Independent States], Eastern Europe, and the Near East), as well as new (the European Economic Community, the EFTA, North America, the Far East, and others). Provide the necessary protection for the national market in accordance with the rules of multilateral trade and the principles of reciprocity.

22. Ensure the successful continuation and eventual conclusion of talks with international financial institutions and the country's foreign creditors and with the regional European communities—the European Economic Community and the EFTA.

23. Take all the necessary bilateral and multilateral steps to guarantee the national security of the country under the present difficult situation in the Balkans and exclude any possibility of the country's involvement in an armed conflict.

The Situation

The priorities and basic tasks stem from an assessment of the present condition of society and the economy.

Bulgaria has entered a state of profound political crisis, which is an expression of the growing conflict of interests expressed by various wings within the SDS [Union of Democratic Forces] and the expectations of society, as well as the policy of confrontation pursued by the government. The governmental crisis indicates that

society is rejecting such a policy. In departing, the SDS government has left the economy in a much more difficult situation compared to the one it inherited from the previous government.

The Bulgarian economy is experiencing one of the most difficult and dramatic periods in its development in the 20th century. Production decline is unprecedented. There are indications of a breakdown of the economic system. Inflation has not been mastered and the country is facing the danger of hyperinflation. Unemployment has reached a critical size and is continuing to rise. Particularly affected are some social and ethnic groups. The situation in some parts of the country is calamitous.

Claims of having achieved macroeconomic and financial stabilization are being refuted by the catastrophic situation of the economy and the financial condition of the state, the enterprises, and the individual households.

The pursued economic policy has led to mass impoverishment and has threatened the physical survival of a number of people. The situation of the retired and the unemployed is particularly difficult.

The main reason for the severe economic depression and the growing economic dislocation is the adopted conservative and monetaristic model of the economic reform and the pursued economic policy.

The adopted reform model leads to a strongly polarized society and must be replaced with a model which would ensure a conversion to a modern social market economy. This requires profound changes in the economic policy, supported by urgent steps to be taken by a new programmatic national consensus government.

Measures

I. For reducing tension in society:

1. Submitting to the parliament a government program for the administration of the country and for legislative priorities within two weeks after its formation.

2. Limiting the rights of oblast administrators within the framework of the Constitution and the laws.

3. Initiating immediate talks with the trade unions to deal with conflict situations in the economy and society and settling matters pertaining to trade-union property.

4. Terminating arbitrary reorganizations and lay-offs in state companies and establishments and laying the foundations for a modern tripartite system for the coordination of interests.

5. Ensuring the availability of the most necessary legislative and material conditions for waging an efficient struggle against growing criminality, corruption, and black marketeering.

6. Taking urgent actions to ensure availability to the population of basic staple foods, fuels and energy, medical assistance, and life-saving medicines.

II. For stabilizing and restructuring the economy:

1. Immediately determining the real condition of the state budget and settling unresolved issues between the government and the BNB [Bulgarian National Bank].
2. Submitting draft bills on the 1993 state budget two months after the appointment of the government.
3. Eliminating methods for nontax appropriation of some of the profits and decapitalization of state enterprises.
4. Formulating a gradual solution to the problem of company indebtedness together with the banks and with the support of the World Bank, paying special attention to the VPK [Military-Industrial Complex].
5. Establishing an efficient tax administration and immediate reopening of the Chamber of Accounts.
6. Full parliamentary cooperation in the adoption of a modern tax legislation.
7. Adoption of the 1993 state investment program as part of the state budget.
8. Defining the sectors and activities of priority significance in restructuring the economy—in energy, the petrochemical industry, the defense industry, transportation and communications, tourism, and light industry.
9. Immediately introducing a procedure for changes in the membership of the liquidation councils as chosen by owners in agriculture, terminating the activities of the liquidation councils by 30 March 1993, and formulating a procedure for their accountability.
10. Eliminating all restrictions to ownership of the land by the owners and forming cooperatives if so desired.
11. Submitting, together with the state budget, the privatization program for 1993, consistent with the state structural policy, after preliminary consultations with the trade unions and the unions of employers and entrepreneurs, to be made public.
12. Introducing a draft law on encouraging private initiative by small companies after coordinating such efforts with unions of entrepreneurs.
13. Introducing proposals for supplements and required amendments to the laws on restitution, privatization, and the land, with a view to accelerating the reform and broadening their social support.
14. Periodically providing adequate information to society on the course of restitution, privatization, and restoration of land ownership.

III. On minimally necessary social guarantees:

1. Listing the commodities and services the prices of which will be controlled by the government throughout 1993.

2. Setting new levels and ratios between minimal wages, minimal pensions, and other social insurance payments, social aid, and scholarships, as well as defining the new procedure for their updating on the basis of inflation.
3. Submitting a draft bill on tax on rental income.
4. Protecting and assisting the development of structures and activities of the Consumer Union.
5. Immediately submitting to the National Assembly a law on the protection of employment and job security, thus providing a long-range solution to problems of the creation of a labor market as an independent labor market institution.
6. Submitting a packet of laws for social insurance and aid (law on social insurance, law on health insurance, law on pensions, law on social assistance) thus ensuring the organization for funding such activities.

Disagreements, Dissent Within BSP Discussed

93BA0310A Sofia DUMA in Bulgarian 19 Nov 92 p 8

[Unattributed article: "The Mirror Is Life"]

[Text] Many journalists and political commentators are highly sensitive to everything that happens or does not happen in the BSP [Bulgarian Socialist Party]. The behavior, and even individual moods in this party, excite them. This excitement is tinged with different emotions, depending on their own likes and dislikes. Regardless of the emotions, however, they display a marked interest in the activities of the socialists. To some these activities are the source of all sorts of trivial ideas and thoughts about the "reds" and their "immobile" party, while to others they are a source of the most capricious gossip, vilification, and sensational predictions. But to both groups the great truth about the BSP remains marginal, not probed in depth or not understood.

Preconceived patterns or biased underestimation of the facts mislead a number of ambitious writers, who often draw a naive picture of the condition and the politics of the Socialist Party. This is especially apparent at times of social stress, when the nerves of individual political forces go to pieces before our very eyes. At such times the patience or calm of the BSP shocks individual observers and leads them to not entirely intelligent conclusions. Today is such a time; it is filling the press with suspicion about the socialist position. Some are even inclined to accuse this position of insufficient interest in life, in what is currently taking place. A conclusion such as this is at the very least inaccurate.

"Only the BSP is failing to move a little" states an article in the STANDART that sets out to analyze the BSP's recent behavior. The article would like to have us believe that in these days of a serious government crisis, when all political forces are on the alert, the Socialist Party alone is off to one side of the general ferment and, Heaven knows why, is devoting attention mostly to itself. And

yet the article asserts that the BSP has almost forgotten its social commitments, that it has abandoned the leftist concept, that it is not interested in what others are doing (in the case of the DPS), and that it does not get excited about anything that does not exist outside it. The statement is forthright, almost cruelly direct, but is it right?

There is no need to demonstrate that the BSP is an active political force that has not for a moment underestimated the major problems of life because of pains and misfortunes of its own.

No other party but it was the first to foretell the approaching serious political crisis and the demand for expression of no confidence in the government and the president of Parliament.

No other party but it was the first to warn society that the policy of those in government is leading the country toward a serious breakdown of society, that the reform is spinning its wheels, and that the ultraconservative right has placed its own class interests above the interests of Bulgaria.

No other party but it was the first to proclaim the idea of national consensus and to see escape from the tragic situation only in a government personifying this consensus.

These are all facts refuting the opinion that the Socialist Party has abdicated from life and that it has been contemplating its naval and is living outside time. The opposite is true; its every step and thought are inseparable from today, from the fate of the nation, from the fierce struggle for true democracy. In this sense the article quoted did not look for the great truth about the BSP, about its indisputable position in life, and attempted to subvert this truth by means of a highly arbitrary interpretation of its policy. It would have us believe that there was no deliberation in the case discussed but rather very sincere deception resulting from preconceived notions of this policy.

The opinion that the BSP is interested only in itself is due to the fact that during the days of the parliamentary crisis the PSSD [Parliamentary Union for Social Democracy] was concerned with its internal organization and political situation. And, of course, to the fact that the behavior of the Alliance for Social Democracy was alarming individual elements in the party. These facts are unfortunately presented in such a biased light that they manipulate things and separate them away from their true essence. Conflicts and contradictions do exist in the parliamentary group of the PSSD and in the BSP, but they are not of the catastrophic nature that some journalists try to ascribe to them. To all appearances many of these journalists are trying to confect a reality that is far removed from the reality that actually exists.

There are disputes and there will continue to be disputes, there are and will be different views, and there are and will be different temperaments, but this does not at all mean that the socialists are in a muddle and have

retreated into their own shells. Just the reverse is true. The disputes and conflicting views are merely one marvelous proof that the BSP is alive and developing, that new ideas are coming to maturity in it, that it is looking for better ways for it to realize its aims in life. The attempts made to represent this diversity in development as remoteness from society are naive ones. They are the result of old stereotyped thinking about the BSP and of failure to understand the progressive tendencies maturing in the party. It is no secret that there are quite a few forces who want the Socialist Party to fail, to deprive it of its individuality, and to have it grow old and gray and be put in mothballs. The giant frightens them, and they want to see him on his knees. In this sense the rummaging through Socialist dirty laundry is understandable. But this does not at all mean that the rummaging will yield the result that some expect.

Despite the difficult moment it is experiencing, the BSP is alive and strong and full of energy. It is not suffering from "malignant narcissism," as is alleged in the article referred to; it is not "staring in the mirror" but is solving its problems, painfully but sincerely. It is fighting for itself and with itself, and therein lies its great future. After all, where there is no struggle there is stagnation. No one should hope that the differences that the print medium so strongly emphasizes will weaken the socialists and impel them into a fratricidal war. The time of fratricide has passed. The BSP is now living through a time of major changes which, no matter how difficult, are essential and fateful. It will endure them despite the pain and will take a step forward. Consequently, those who love to predict must pay more attention regardless of their personal feelings and desires. They must realize that the BSP has a heart as well as a navel to contemplate.

The behavior of the BSP is of importance to society, and so the interest in it is fully justified. Nor are the thinking and the actions of the largest party in the country of no importance to Bulgaria. For this reason, the more accurate and careful is the information given about it, the better it will be for all who are interested in our political development. Many will otherwise be misled and will mistake wish for reality. And delusion is an insidious thing. It is dangerous even when it is sincere, especially when it is a question of a political force with a real and powerful presence in life. Whether this force is liked or not is of no importance. It does exist, and any attempt to cause it to be misunderstood or to consign it to perdition will fail. And as for its weaknesses and errors, let us vouchsafe it the right to deal with them. Introspection is not always a manifestation of vanity. In the sensible it is a part of the catharsis that brings about improvement and generates new strength. For this reason, despite the criticisms and predictions, the BSP is calm. It is examining itself not because it is in love with itself but because it wants to be more useful, to itself and to the country, for the future of Bulgaria.

Ludzhev Attacks SDS Intelligence Service Plan

93BA0296A Sofia KONTINENT in Bulgarian
24 Nov 92 p 7

[Interview with Dimitur Ludzhev, former defense minister and a dissident SDS National Assembly representative, by Genka Markova and Svetlana Belousova; place and date not given: "The Former State Security Will Be Restored If the National Intelligence Service Is Under the Council of Ministers: 'Let Us Open the Dossiers, but According to a Precise Law That Covers the Entire Spectrum of Political Agents,' Representative Ludzhev Insists"]

[Text] [KONTINENT] The question, Under whose control should the National Intelligence Service be?, seems to have turned into a "stumbling block" for the formation of a coalition government between the SDS [Union of Democratic Forces] and the DPS [Movement for Rights and Freedoms]. What are the motives for insisting that NRS [National Intelligence Service] should be under the Council of Ministers' control?

[Ludzhev] There are two reasons. The first one is a substantive element and a very characteristic example of the tendency toward establishing an authoritarian type of government. Mr. Filip Dimitrov, his advisers, and certain individuals from the armed forces would like to concentrate in their hands, according to the old communist custom, absolutely all possible sources of information, to use it any way they like, and thus manipulate the political life of the country.

The second reason is because of ignorance. The Council of Ministers has too many opportunities to influence the National Intelligence Service. It approves the service's budget, approves the rules for financial activities, approves its structure, and its bureaus abroad. That is, it has a number of opportunities to control NRS as it has been controlled. The fact that even the president appoints on recommendation from the MS [Council of Ministers] the chief of NRS is a positive correction. The future law should contain this division of power between the parliament and the president and the administration in this respect.

[KONTINENT] Why is everyone paying so much attention to the National Intelligence Service?

[Ludzhev] Simply because it is not under the control of G-39 and its representatives in the government. The problem is not only with the NRS, but with all types of intelligence and information-gathering services in this country. We are overlooking the fact that under the MVR [Ministry of Internal Affairs], and under the direct control of the minister at that, are the National Security Service, the Operations and Technical Information Service, and the Counterterrorism and Organized Crime Service. All over the world all such services are separate from the police; they are under the direct control of the highest executive power, but with the participation of the National Assembly and the president. For this reason it

is very interesting why the bill to create a National Security Council that would oversee these services' activities is being delayed.

And if we, a group of deputies from SDS, are against the decision for NRS to be under the Council of Ministers (this is DPS's position), it is because this would mean absolute restoration of the old model of State Security. And also it would concentrate power without law, without control, and without other procedures in the hands of one or several individuals.

[KONTINENT] The opposing argument, however, is that this way NRS will be under the control of the National Assembly.

[Ludzhev] Let us do it with a law. And what does "under the control of the National Assembly" mean? If it means under the control of Vasil Mihaylov and Nikolay Slatinski, then it means no control at all. A draft law for the National Security Council exists; it was drafted while I was still defense minister.

[KONTINENT] Why are they delaying its discussion in parliament?

[Ludzhev] Some people simply want to have the privileges of the former red aristocracy of this country.

[KONTINENT] When was the National Intelligence Service separated from State Security?

[Ludzhev] During General Semerdzhiev's time. When I became president, Zhelev's first political adviser, the NRS chief, was changed and Mr. Rumen Toshkov was appointed in his place. But at that time NRS had the same status as now, under the president, while the Council of Ministers had the powers I mentioned before. Deputies and journalists are not informed regarding the nature and functions of the various departments of the former DS [State Security]. This was the purpose of the well-known report that was being drafted, but which got lost somewhere. Three times I have introduced recommendations to the Council of Ministers headed by Mr. Filip Dimitrov to renew the commission's investigative work of the DS and three times Mr. Dimitrov turned them aside. But maybe it is high time this report got published.

[KONTINENT] Why did you at the time recommend namely Radoslav Raykov for deputy chief of the National Intelligence Service?

[Ludzhev] This, of course, is some tremendous cock-and-bull story. But I would like to remind you of something else. Do you remember how last spring there was moaning and groaning against D. Ludzhev because he was destroying NRS? And who was yelling the most then? It was Yonchev, Durmov, and others. What was happening then hit them right where it hurts. Again at that time President Zhelev and I received information about the nature of the service. Even a quick look over showed two basic things: The main leadership of the

service was made up from prominent communist families—sons and daughters of at least Central Committee members, former generals from DS, and so on. And second: This was an inflated structure covering the world from Cape Horn to Japan. This is when the first structural change was adopted. Three of Gen. Toshkov's deputies were dismissed (with his consent), while Mr. Radoslav Raykov was appointed deputy chief of the service on the recommendation of the president.

After some time Messrs. Toshkov and Raykov proposed the new structure for the NRS; it was discussed at the National Security Council and was generally approved.

This was a drastic reduction of our bureaus abroad, our budget, staff, and the existing structures; new forms of financing were introduced. Also, the NRS activities were concentrated in areas where we truly have interests. It was specifically decided to formally introduce our representatives to the corresponding authorities so that past practices would be discontinued. R. Raykov himself started to make the rounds east and west to change the staff of the bureaus, to dismiss, and to audit. As I understood later, he did some unscrupulous things. There were sharp reductions of the staff, and the number of departments was reduced. The only thing is that individuals who were typical representatives of the high-level communist nomenclature continued to dominate, as I said before.

Then sometime in the beginning of the summer of 1991 we started to receive information about contacts with KGB representatives; there were still quite a few of their representatives here. The process of change of the NRS structures was delayed. Radoslav Raykov complained many times that his work was being hampered. Later he developed some kind of persecution phobia; he insisted that someone had poisoned him; he came to me personally several times to complain that he feared he would be killed, and so on. I think he was simply scared. Exactly at that time rumors were spreading that he was an agent for the Turkish intelligence. But I want to remind you that I was the one who defended him.

Anyway, sometime before the August coup in Moscow in 1991 a more drastic change in the NRS leadership became necessary. Actually, Mr. Brigo Asparukhov (then chief of the information service) was proposed for chief of the NRS by Mr. Radoslav Raykov. After a background check, Mr. Asparukhov was appointed by ukase of the president as chief of the service. The same day the heads of the six departments as well as other important positions were changed, and this restructuring actually led to removal of an entire layer of old senior commanding staff.

[KONTINENT] What is your opinion of the accusations that Mr. Brigo Asparukhov was giving the president, or people close to him, information in the office of Dimitur Popov regarding some politicians' pasts as agents, and this way they could pull the strings of some of our politicians?

[Ludzhev] This is not true at all. The president is the only one who had the right to request information from the files of the MVR or the other secret services. If he wanted it, he will answer. But I think he did not want it.

[KONTINENT] You are being criticized that you demand opening only the dossiers of the Sixth Department...

[Ludzhev] There is nothing like that. I even gave a speech in parliament on this issue, that it is silly to open only the dossiers of the Sixth, since there were political agents linked to the First, Second, Third, even Fourth Departments of the MVR. That is why I have always demanded a more precise law that would encompass the entire spectrum of political agents. I think the dossiers should be opened, but only according to a precise law.

BZNS Leader Addresses Unification Congress

93BA0266A Sofia ZEMEDEL'SKO ZNAME
in Bulgarian 9 Nov 92 pp 1, 4

[Address by Anastasiya Dimitrova Mozer, BZNS chief secretary]

[Text] Dear United Agrarians, honored guests, and friends of the BZNS [Bulgarian National Agrarian Union]:

I find it hard to overcome my emotion at this moment, which is crucial to all of us. Your decision lays a great responsibility on my shoulders. However, those shoulders have long been familiar with the reason for which a donkey is present at weddings!

The trust you have given me by your vote is a belief in the conviction that I have steadfastly nurtured in the past, to the effect that the unity of agrarian forces must be achieved, and that this unity is cherished by our numerous members. Many of them kept silent for quite some time. However, once they decided to speak out, they took the right view and, surmounting many difficulties, supported the revival of the Agrarian Union, the unification of agrarian forces, and the restoration of their prestige and prospects for full-blooded participation in political life, in the democratic process, and in the steady battle for peace, bread, freedom, and democracy. Today we are accomplishing a real act of decommunization, for we are unifying that which the communists divided, and we are restoring that which the communists tried to destroy, first with whips, jails, gallows, and concentration camps and, subsequently, with the corruption and helplessness that they treacherously preached and instilled. Their efforts, however, proved to be futile.

The organization gathered strength. It stood up on its feet, found the right words, and called to the struggle for its restoration: "Come, you the living, listen, you the dead, rise beloved children! Save me!" Then all of you responded to this call. You placed the interests and the future of the organization above everything else. In the examples of Botev and Levski, Nikola Petkov, Dimitur

Gichev, and Dr. G.M. Dimitrov, you overcame personal and petty aspirations, dedicated supreme efforts and sacrifices, and entered the common agrarian temple with a clean heart and clear conscience. There is no force today that can stop your aspiration to unity within the Agrarian Union, which will prevail, for this unity was achieved as a result of much sacrifice and many efforts and with the clear awareness of its absolute necessity and the good of Bulgaria. Today marks victoriously the latest defeat of evil and the triumph of reason, and of goodness, faith, hope, and love of the Agrarian Union. As we look ahead, let us remember that the past of the BZNS is one of the golden pages of Bulgaria's history.

Founded by a few teachers, agronomists, intellectuals, and dedicated rural workers, the organization arose in its very first year, the last year of the 19th century. The uprising of the peasants in golden Dobrudzha was broadly echoed in Bulgaria's poetry, literature, journalism, and history. It was also praised by Yavorov in his poem "Sisyphus":

*"The blade touched the bone and the roar was frightening!
The people are moaning from the pain, and it is not the
sound of the sea that you hear.... The mouth of the anger
is terrible—even mountains of lead cannot shut it...."*

Several years later the great peasant Stamboliyski was to analyze this spirit and this strength in an ideology that is unique in the world.

He interpreted the seemingly ordinary idea that life means struggle and that struggle is life in his capital work "Political Parties or Class Organizations," from which, decades later, the "Principles of the BZNS" were crystallized and became the bible of the United Agrarians.

Let us recall the nature of people without principles, as described by this ideology.

"A person without principles is like a house without foundations, a river without sources and tributaries, a ship without compass and rudder."

All of us are familiar with these principles and are guided by them to a greater or lesser extent. They have been frequently expanded and corrected by Stamboliyski himself and by his heirs on the ideological front and in practical life. That is because they are created by life and not by ivory-tower philosophers. Those who say that our organization is obsolete are very wrong. We must tell all of them that despite the destructive role of communism, especially in terms of the agrarian movement in Central and Eastern Europe, after its collapse, virtually everywhere that movement was resurrected from its material and spiritual ashes—in Poland, Czechoslovakia, Hungary, Romania, Bulgaria, Croatia, and, we hope, in Serbia after the defeat of the last Moscow bastion in our western neighbor. It will be restored also in the Baltic republics, where before they became booties, 50 years ago, quite frequently their governments were headed by agrarian prime ministers. Before the war the centrist

parties in the Scandinavian countries were also agrarian, and so are their foundations today, particularly in Sweden and Finland.

The principles of social justice of the Agrarian Union may be found in all rural movements and parties. Under totalitarianism they were the support and hope of the International Agrarian Union and the Society of Enslaved Peoples, headed by the Bulgarian National Committee.

Naturally, today we cannot speak of a rural organization of a given stratum, not only because the countryside was so greatly neglected and its people oppressed, but also because thousands of such people were forced by the rulers and by poverty to run to the cities and to die in the concrete blocks, yearning for the land.

For quite some time our union turned from agrarian to national and defended the national interests. Today it is also called upon to defend the interests of all farmers and craftsmen, of intellectuals who have not forgotten their origins and their supreme objective—freedom, peace, tranquillity, and well-being for the entire people. Our new times also need renovated ideas. However, this does not mean that we would change the name of our historical organization, as the communists have frequently done. We will not and we cannot abandon the heroic past of the Agrarian Union, which holds a noted place in Bulgarian history. Stamboliyski was the first to address from world rostrums the issue of a united Europe, while Dr. G.M. Dimitrov joined, through the Bulgarian National Committee, the European movement from its very founding in 1948. A high proportion of the legislative activities of the Stamboliyski government are relevant to this day. The idea of decentralization of administration and giving priority to okrug and obshtina councils, and the educational, tax, and agrarian reforms, going so far as to administer the country through referenda, as practiced today in Switzerland, are all agrarian accomplishments.

It is my hope that as a result of this unification congress the Agrarian Union will emerge on the political scene having learned the lessons of the past, the errors of the present, and the prospects for the future. In today's confused times, when everything is in ferment and is bubbling like young wine in a barrel, we must hold a firm position in the center between the two extremes and serve Bulgaria not only as a buffer between them but as a highly principled and moral force of control over parliamentary and social life. We must emphasize that dictatorship is nothing but dictatorship, but that democracy is democracy. There are no halfway principles in that area. We, united agrarians, must be prepared to join forces with those who work for the restoration of true democracy in Bulgaria and struggle against pseudo-democracy. The latest elections found us divided and we unforgivably lost. The parliament remained without agrarian representatives.

It is our duty to raise our unity like a torch, along with our political perspicacity and love for the nation and the homeland, in order to surmount all obstacles along our way. Our task is difficult, but we shall mobilize our high creative and intellectual potential and, on the basis of our strong principles and our new program, we shall do everything possible to ensure our success, for Bulgaria has a crying need for a truly centrist organization of a proven democratic nature, which will work to surmount the economic and political crisis in which Bulgaria finds itself. The most important task facing us is, above all, that of strengthening the BZNS. We must make the word unification a living act. This requires work, understanding, and dedication. We can and will accomplish this, for the building and strengthening of our organization means the building of Bulgaria and ensuring democracy in the homeland. Justifiably, the eyes of many people are turned to us, for they are familiar with our struggle against communism and our views of supporting the introduction of a social market economy. We must continue to sound the alarm to alert the people that the government has so far been neglecting the agricultural sector, which is the only place from which the true restoration of the Bulgarian economy can begin, as well as the building of the type of productive middle class, without which there can be no democracy. According to Bulgarian and foreign experts, Bulgaria's market economy begins with agriculture, for it is there that the true resources of the country are to be found. That is where its wealth lies. That sector will enhance production and the entire industrial infrastructure, which will reduce inflation. In turn, this will ensure increased income, and will lower unbearable interest rates. It will enable all working people in town and country to join in stabilizing and modernizing their way of life and their country. The land reform must be accelerated. Farming must be helped by the government now, during the first years of its restoration as an independent private sector, for it is not only starting from scratch, but is also burdened by the debts incurred by the former TKZS's [labor cooperative farms]. Subsequently, however, once farming has become a true agribusiness, i.e., a chain that ensures not only production but marketing, it must become independent of government structures, developing its membership and cooperative financial base and its commercial networks and scientific and experimental bases, so that it can never be subject to the whims of any government, but defend its interests through powerful trade unions. Already today, with its mayors, obshtina councilors, and members of land commissions, the BZNS has become included in the implementation of the agrarian reform despite its shortcomings and sluggishness. At this stage, the BZNS must assist in the acceleration of reform and continue to head the efforts in the dismantling of the TKZS and the fast return of the land and the rescuing of anything that can be rescued from the economic dislocation caused by the fatal totalitarian policy and psychology through human initiative. Let me mention that, meanwhile, on the initiative of the BZNS-NP [Nikola Petkov], some specific steps were taken,

earmarking the direction to be followed by our organization under contemporary conditions. We have undertaken to establish the Agribusiness-Intellect Consortium, the main purpose of which is to develop new agrarian infrastructures, marketing, information, consulting, technical, credit, insurance, social security, and other activities that will help the private farmer and protect him from speculators. We have organized and are in the process of establishing an Agricultural Loan Center that will grant low-interest long-term loans to private farmers. Although modest at present, its capital shows a good start, with great prospects for development. All of this indicates the importance of the new approaches of the BZNS, and we clearly realize that our organization must enter into political and economic life with new approaches, and be ahead in political and economic thinking. That is why we must ensure the influx of new and young forces and specialists, engineers, physicians, teachers, managers, and experts. We must actively participate in privatization, and thus ensure the success of the market economy rather than speculation with it. Our program, our ideology, has something to offer to attract the intelligentsia, a high percentage of which has recently withdrawn from political life and whose potential, generally speaking, remains unused. We shall work for the sake not of fast and shaky profits and results, but, as farmers do, for stable and long-term dividends. Only thus shall we be able to leave economic chaos behind us and to make the people, whose skepticism is presently justified, trust us.

Here is another very important thing. It is of vital importance for our organization to strengthen its youth organization.

The youth organization has a glorious past, and a great deal of useful and noble work awaits the young generation. It is true that this may seem difficult today, for the young people have not heard of the Agrarian Union in the past. Most of them grew up in the towns, although their homes and their cars were paid for by the heavy toil and privation of their grandparents in the countryside. Our ZMS [Agrarian Youth Union] is being revived and our unity will inspire it. We are already sending hundreds of young people to specialize in the advanced Western countries and to acquire an attitude toward work and the nation, which they will bring back and thus contribute to the faster application of global standards in our country. Without this we shall never be able to become economically integrated in Europe, and we shall waste the huge educational base that we now have and that is known of in the West. To this effect, however, work is needed on our part and on the part of the young. We must convince them that there is a future in Bulgaria for them and that our program will enable them to enhance themselves both spiritually and materially.

I have great faith in the future of the organization and in all of us. I believe that better days are coming. Communism has been crushed and everywhere darkness is retreating, slowly but certainly. I am full of hope that the freedom-loving and invincible Bulgarian people will take

even more firmly its own destiny in its own capable and industrious hands and will build the type of free and independent Bulgaria for which our apostles dreamed and worked.

It is now our turn to prove what we can do. Both the organization and the homeland are calling upon us to work. We shall respond to their appeal and we shall respond worthily to the challenges of our time.

May God save Agrarian Unity and Bulgaria.

Biographies of New BZNS Officials

93BA0265A Sofia ZEMEDEL'SKO ZNAME
in Bulgarian 9 Nov 92 p 1

[Biographies of individuals elected at the Restoration Congress of the BZNS Standing Committee]

[Text]

Stoyan Khristov

Chairman of the BZNS [Bulgarian National Agrarian Union] Administrative Council. Born 18 May 1954 in Savino Village, Yambol Oblast. Graduate of junior college in education. Pursued his education at the Higher Engineering Pedagogical Institute in Sliven. Joined the Agrarian Union in 1987. Actively participated in restoring the BZNS-NP [Nikola Petkov] organizations in the Yambol area. Twice a member of the BZNS-NP Administrative Council; since 15 February 1992 chairman of the BZNS-NP Administrative Council.

Married, has two children. His wife is a teacher of literature. They live in Yambol.

Aleksandur Aleksandrov

Born 19 August 1943 in Karapelit Village, Dobrich Obshtina. University trained. He has worked as veterinarian at the VMTs [Veterinary Medical Center] in Dobrich. Former chairman of the Dobrich Rural Obshtina management. Member of the BZNS-e [united] Administrative Council since February 1992, and member of the PP [Standing Committee] since July 1992.

Married, two children.

Bayazid Saidov

Born 1959 in Lenishte Village, Ardino Okoliya. Graduate of a technical school for agricultural mechanization. Has worked as technologist at the Ardino APK [Agroindustrial Complex]. BZNS member since 1987. Elected member of the BZNS-e PP in February 1992.

Married, two children.

Georgi Manov

Born 9 October 1951 in Sofia. Mechanical engineer by training. Member of the BZNS-NP PP as of November 1991, and member of the Union since its restoration.

Married, one child. His wife is a pharmacist.

Zdravko Emilov Zdravkov

Born 1 October 1947 in Sofia. Surgeon. Employed at the Center for Hemodialysis, Aleksandrovska Hospital. In 1991 he became chairman of the BZNS-NP Obshtina management of Oborishte Obshtina in Sofia; in 1992 he became member of the BZNS-NP PP.

Married, two children. His wife is a cardiologist.

Iliya Danov

Born 14 November 1930 in Obnova Village, Pleven Oblast. Member of the Agrarian Union since 1944. Sentenced to terms in prison and concentration camps. Twice elected member of the BZNS-NP Administrative Council, one of the mandates as chairman of the Administrative Council. Editor in chief of the newspaper NARODNO ZEMEDEL'SKO ZNAME since 27 February 1992. Married, two children. His wife is chief bookkeeper. Elected at the BZNS Restoration Congress as editor in chief of the newspaper ZEMEDEL'SKO ZNAME.

Milko Slavchev

Born 26 February 1939 in Sofia. Medical school graduate, specialized in surgery. Works as medical manager of the Gorna Oryakhovitsa Obshtina Hospital. BZNS member since 1978. Elected member of the BZNS-e Administrative Council in February 1992 and member of the PP last July.

Married, two children.

Nikola Penchev

Born 12 June 1944 in Preslav. Agricultural mechanization engineer. Has worked as deputy director of an obshtina company in Ruse. Agrarian Union member since 1980. Elected member of the BZNS-e Administrative Council in February 1992, and PP member in July 1992.

Married, one son.

Stefan Lichev

Born 1949 in Koynare City, Plovdiv Oblast. Law school graduate. Former member of the SDS [Union of Democratic Forces] Coordination Council in Yambol, then deputy mayor of the provisional administration of Yambol. Member of the BZNS-NP PP and its spokesman.

Married, two children. Wife presently unemployed.

Stoyan Chakurov

Born 1 October 1941 in Sofia. Medical school graduate. Docent in urology, and medical administrator of the university hospital, Mladost Obshtina. Member of the Agrarian Union since 1980. Elected member of the BZNS-e Administrative Council in February 1992 and member of the PP in July 1992.

Married, one son.

Todor Kolev Kavaldzhiev

Born 26 January 1934 in Glaven Village, Khaskovo Oblast. Economist. For the past three years member of the BZNS-NP PP. Persecuted and spent 11 years in prison accused of efforts to restore the ZMS [Agrarian Youth Union]. He was the first person in the country to file an official request for the restoration of the BZNS-NP prior to 10 November 1989.

Married, one child. His wife is also an economist.

Merits of Electoral Systems Discussed

93BA0313 Sofia KONTINENT in Bulgarian 26 Nov 92
p 7

[Article by Ognyan Stamboliev: "Wait for the Second Act of the Stalemate in the Political Theater"]

[Text] After Filip Dimitrov failed on 20 November to receive the approval of the parliament, according to the Constitution of the Republic of Bulgaria the president of the Republic must assign to the next largest parliamentary political force [PSSD] the task of forming a government. If this attempt should fail, again according to the Constitution, the president must assign the same task to the next largest parliamentary political force, the DPS [Movement for Rights and Freedoms]. If a new government is not selected even after this third attempt, the most probable thing is that a caretaker government will be appointed, the National Assembly will be dissolved, and new elections will be scheduled.

Such a progression of events would hardly be beneficial for the country, but it is highly probable. Hence it appears to be worthwhile to bring up a problem that must be solved before it is too late. What is disquieting in individual statements made by leaders of both parliamentary and nonparliamentary forces is the silence with which the problem is treated. It seems to be tacitly assumed that the same system will be used in new elections.

We know that the 13 October 1991 elections were conducted under an electoral system exemplifying the proportional principle involving multiparty slates of candidates. The results are familiar. Two coalitions and one party are represented in the parliament. The remaining parties did not receive the minimum 4 percent of votes and remained a nonparliamentary opposition.

Are the reasons for the failures in the work of the National Assembly and the government to be sought in the electoral system used?

The positive and negative aspects of the majoritarian and the proportional electoral systems should be compared. The experience acquired around the world should be used in making this comparison.

The majoritarian system is the older electoral system from the historical viewpoint. It is usually applied in

conjunction with the single-party slate of candidates. Under this system, voters cast their vote for a specific person, and whoever receives the largest number of votes in a particular electoral district is considered to be elected. Two versions are known, election by absolute and by relative majority. In the first instance the candidate who has received more than one-half of the actual votes cast in his electoral district is considered to be elected. Under the second option, the candidate who receives more votes than the other candidates in the same district will be elected.

The advantages of the system are that a solid large parliamentary majority is created that provides the basis for a stable and strong government, and that the small parties, which have no prospect of having their representative independently elected, can join a strong party or merge.

The most serious disadvantage of the system is that, after one-half plus one of the voters acquire a mandate, the other half minus one is left with no representative in the legislative body. Another disadvantage is that under this system the people's representative is very closely tied to his voters and in principle tries to serve local interests at the expense of general and national ones.

Two other disadvantages are more of a technical nature. Difficulties have existed and continue to exist in division of the country into precisely as many electoral districts with the same number of inhabitants as there are parliamentary deputy positions. In addition, when a position becomes vacant because of death or other reasons, new elections must be held.

The proportional system was developed later, an attempt being made to eliminate the shortcomings of the majoritarian system. Under the proportional system the number of parliamentary deputy positions is proportional to the number of votes cast for a particular party or coalition in the country.

One advantage of the proportional system is that in theory the danger is eliminated of minorities remaining unrepresented in parliament, in that these minorities can obtain some mandate or other through the central slate. In addition, the system is assumed to be fair, because it gives everyone as much as he deserves and deprives none except those who have been unable to rally a minimum number of partisans for their cause and to exceed the 4-percent limit. Another advantage is that the system is designed to be democratic, because it enables all significant groups to be represented in parliament and influence governance of the country. Moreover, on the world scale the system is a prerequisite for moderate government, because with a strong opposition the government is much more circumspect and attentive toward its political opponents.

One disadvantage of the system is that party domination is established, because parties draw up the slates and

guides the voters. So it is that in Bulgaria it is not individual candidates who have been elected but rather the respective programs on which the slates are based. Under this system the persons whose names appear on the lists are of no importance whatever, because one of the most serious inadequacies of the proportional system is that a particular party or coalition stands as intermediary between candidates and voters; that is, what is important is the preelection program of the appropriate color that is presented. It is not necessary for the candidates on the preelection lists to be known to the voters, because precisely these candidates are not the ones elected. There is another matter. Assume that a partisan of a particular political force knows with certainty that one of the candidates included on the slate by his coalition is not to be trusted at all. He has no choice but to vote for this slate and in this way also votes for a person for whom in principle he does not want to vote. In this context the expression "my voters" used by some deputies is wrong, since properly speaking the deputies have not been elected. Even a person who neither understands the nature and importance of his actions nor is capable of controlling them would enter parliament if he were to be placed in a suitable post by the pertinent political force, because under the law on election of national representatives, municipal councilors, and mayors, slates of candidates "will be drawn up and submitted for registration by the leaders of the parties and coalitions" (Article 41, Section 2).

And so unfortunately the proportional electoral system allows the possibility of inclusion of obedient rather than independently thinking persons on the slates. This is why in voting in the National Assembly a large number of deputies show discipline and vote en bloc rather than as their conscience dictates. Introduction of the party discipline resulting from the proportional electoral system creates a ruling elite marked by the features of party selfishness. Moreover, the proportional system contributes to splintering of parties, and by creating a parliament of diverse composition it results in the election of weak governments compelled to make compromises.

For good or for ill, any electoral system is applied in a specific historical situation. As sociological studies show, the existing stalemate situation will be reproduced in new elections under the same electoral system, and nothing can be done to change this situation. It is also highly likely that the people will be the same, in that, however many times voting is conducted under this electoral system, again and again we elect faceless and brave tin soldiers faithful to their oath to the ruling party elite.

We would have a different National Assembly only if the electoral system were to be changed. If we want to be governed by honorable and wise independently thinking people such as our country needs at this time, we must switch to the majoritarian electoral system. With the proportional system it is virtually impossible for such persons to get onto the party slate, because they do not

allow themselves to be manipulated, and this independent attitude is inconvenient to the party or coalition bosses.

I am afraid, though, that possibly none of the parliamentary groups has a partisan interest in prompt change in the electoral system, because in such a change there are hidden dangers for their narrow party and personal interests. Admittedly people may dissemble, but even so who could sponsor a bill for introduction of a majoritarian electoral system?

Unfortunately, the president does not have the right of legislative initiative under the Constitution.

In this situation the status quo is preserved and the stalemate situation of Bulgarian political theater is perpetuated.

Financial Support for Defense Firm Optikoelektron

93BA0314A Sofia KONTINENT in Bulgarian
26 Nov 92 p 8

[Interview of Optikoelektron director Kamen Petkov by Lyudmila Videnova; place and date not given: "The Pearl of the Bulgarian Arms Industry Would Not Cost Banks One Red Cent"]

[Text] *The Optikoelektron EOOD [single proprietorship with limited liability] is located in Panagyurishte. Between 3 and 4 km from this small town is a magnificent war plant with enormous capabilities for performing the most delicate operations of optical and mechanical engineering. For this reason the director of the company, local resident engineer Kamen Petkov, who moved up the management ladder at the war plant and took specialized training in the former GDR, calls the plant a pearl. It is impressive that, like all the others at the Optikoelektron, since 18 July 1992 he has been working for credit and living by borrowing.*

[Videnova] Is it just your personal enthusiasm for the plant that makes you apply the superlative "pearl" to it?

[Petkov] It is not just that. Like most residents of Panagyurishte, who are descendants of generations of craftsmen, I love work. But I also have facts confirming my definition of Optikoelektron. The Ministry of Industry makes classifications in the military industrial complex, and our plant has been placed in the first category, that of plants which will determine the future aspect of the VPK [military industrial complex]. For this reason we hope that we will be the first ones to receive assistance.

[Videnova] Where do you expect assistance to come from?

[Petkov] We need financial help above all. Our access to the banks has been blocked because of the large debts that have piled up. This is a problem for the entire VPK. At one time the government had a military doctrine, and

in accordance with this doctrine it planned spending for mobilization reserves and assigned plants the mission of providing these reserves. Now the government has not yet converted these unpaid debts to government debts. The banks have no confidence in us. To them we are bad customers. I want to make an exception immediately for the Panagyurishte branch of the Economic Bank. Its president, Mr. Iliya Katsarev, has a positive attitude toward our problems.

[Videnova] And who should deal with this urgent matter of solving the problems of the VPK?

[Petkov] We are waiting for parliament to do this. The government has made a number of promises, but nothing has actually been done. A bill drafted by 37 deputies should reach the floor of parliament. However, I do not believe that passage of the bill will be all that easy.

[Videnova] Why? There have been so many promises.

[Petkov] Because I attended the two-day closed conference of the economic commission and listened to what many deputies had to say. It seems to me that many of them are incapable of properly assessing the place of the VPK in Bulgaria's economy. Some of them think that the best thing is for all of us to go out and dig in the fields, because that is where we would be the most useful.

[Videnova] Convince them that such is not the case.

[Petkov] It is a welcome occasion when someone wants to learn the truth. Currently many foreign firms from Germany, the Netherlands, and Great Britain are rushing here to find out what we can do. We have received a fairly large number of orders from abroad. Of course, they are small orders, but these are tentative steps. We are managing well, and large orders will surely come in.

At this point the interview was interrupted by a telephone call from Sofia. Mr. Petkov told me later that an order for 10,000 optical gauges had been suggested to him. If the transaction goes through, it will be a major success, the largest of the year.

[Petkov] Today a German firm, Endoscopes, known all over the world for the medical apparatus it manufactures, dispatched a representative to conclude a deal with the optics plant. We have immediately set to work on two projects with which we will enter into competition at the EBRD [European Bank for Reconstruction and Development]. One of them is named Suma, after the name of the U.S. businessman who heads this company. We will manufacture chokes and adaptors for lighting fixtures, which will result in a 30-percent saving of electric power consumption.

The second project, also for the EBRD, is associated with leading technologies. Under it we will make flat television screens. We will be entering an area in which

the competition is fierce, but we already have 40 percent of the necessary technology. We still need money, of course.

[Videnova] And so you have a good chance of succeeding with the Atali bank?

[Petkov] I think we do. We often talk with Mr. Andre Peterson of the bank to learn how things are going. Bulgarian bankers have not yet sought me out.

[Videnova] Bulgarian bankers have their own rules. Insofar as they are concerned, rescue of a drowning man is the affair of the drowning man himself. It makes no difference that someone else threw the man into the water. But hope for the Optikoelektron may come from outside. According to Mr. Petkov, the precision mechanics plants has the prospect of entering production partnership with foreign firms or of forming a joint venture. The optics plant has gained interest in investment. But the fact that Optikoelektron is in the VPK system prevents this from taking place. The director himself believes that the elite segment of the VPK will not be privatized.

Old Rules Impede Air Traffic Control Development 93BA0227B Sofia DUMA in Bulgarian 3 Nov 92 p 4

[Report by Nikolay Zhukov: "Military Instructions Dating From the 1950's Are Restricting Air Traffic"]

[Text] *Joint flight control is suggested by the Transport Ministry; for the third consecutive month the department headed by Al. Staliyski remains silent.*

Valentin Vulkov, chief of the State Air Navigation Inspectorate of the Ministry of Defense, which controls the airspace over the country, has requested six airways. So far, no answer has been received. There are between 500 and 700 flights each 24 hours over the country's territory, now that the UN Security Council has imposed an embargo on the countries of the former Yugoslavia. The obsolete and unsuitable civil aviation law and the legal acts of the 1950's are blocking the air routes, according to Valentin Vulkov. In order to conduct training flights, military fliers have additionally imposed totally unjustified airspace prohibitions.

Three months ago, the Ministry of Transportation asked the military department for permission to build and pay for with its own funds a modern air-traffic control system. Despite the advantageous offer, once again Minister Staliyski has failed to provide any answer.

According to Mr. Vulkov, no one is questioning the role of the Ministry of Defense. However, the economic benefit and flight safety over the country has made joint actions necessary. The future joint system would put on either side of the control panel civilian and military air dispatchers. This practice is adopted by all civilized

countries throughout the world, according to the Air Navigation Inspectorate chief.

Despite the privatization of airline companies in our country, the Air Traffic Management Service will not be privatized. According to the Chicago convention and the legal documents based on its provisions, the state plans, monitors, and guides air traffic. The financing of the RVD [Air Traffic Control] is based on the income from air traffic, not a stotinka of which goes to the budget, as was the practice in Bulgaria until a few months ago.

It is only in Switzerland that air traffic control is based on the corporate principle. However, this was not a question of having private owners but of state owners who, by thus circumventing the legislation governing the earnings of state officials, were able to pay higher salaries to their personnel.

Use, Purpose of Agricultural Information System

93BA0230A Sofia DELOVI SVYAT in Bulgarian
6 Nov 92 p 2

[Report by Nadezhda Marinova: "Who Will Be Serviced by the Unified Agrarian Information System, and How"]

[Text] Despite some disparities in the figures, the facts are approximately as follows:

By the end of October, one-half of the farmland to be restored was ready for distribution. It is expected that by the end of the year the figure will reach 80 percent.

The conclusions based on the auctions held during the same period, covering about 2,000 plots, and the results of the contracts that were signed prove (regardless of how provocative this may seem to some!) the need for a scientific approach in the resolution of this problem. Practical experience has led to the logical conclusion that, according to the type of the terrain, the level of development, and other features of the respective areas, an upper limit must be set to restrict the appetite of enterprising companies for profit which is inconsistent with the labor they invest. A problem that has remained unsolved, however, is that of guaranteeing the high professional quality of the offered services. Under the conditions of a developing market economy this would be considered as "normal." For some reason, however, it is almost strange that the hundreds of thousands of future owners are ignoring the offers made by companies that specifically emphasize that they are offering "distribution options" through computer modeling.

The Agriculture Foundation announced that it has completed an "Agrarian Reform and Agricultural Organizations" research project, which describes systematically organized models of agriculture in the developed countries and in the countries of the former "Eastern bloc." The program analyzes their advantages and negative consequences, as well as the extent of their applicability under our circumstances. For the symbolic price of 150 leva, the foundation has offered to provide this intellectual work to anyone who is officially or privately interested in the efficient and faster application of the new Law on the Land, together with a manual for its use. We cannot find out, however, the number of "daring" companies, liquidation councils, or private individuals who have decided to look at this original study, even if only as a guide.

The Agrarian Ministry as well intends, although in the future, to provide a more systematic information backup. As a start, it appropriated some funds for the development of a Unified Information System, the main purpose of which was (please note!) "to provide reliable information on the actual condition and processes in the various trends developing in our agriculture." The ministry decided to organize its own study of the data provided by the National Statistical Institute (first module) and to develop a local computer network (there is nothing new under the sun!) with which to serve the central administration of the ministry (second module). Finally, the third module of the system would ensure communications between the ministry and the oblast agricultural services and obshtina land commissions, so that they will obtain prompt and objective data and efficiently react to problems related to the restoration of land ownership. The fact that the computer equipment is expected to be secured along the line of the PHARE [Economic Reconstruction Aid for Poland and Hungary] program is no more than a detail. The essential feature is the statement that ministry experts are already at work on... an administrative regulation that would control access to the information issued to the land commissions! The "apple of discord" is not found in the program for maximal freedom of access to the system at a minimal cost to the customer but, as is most frequently the case in our country, in the smallest possible number of people who will benefit from the right to access.

We know that, although with a certain dose of skepticism, the Bulgarian people trust above all, by the old power of inertia, information provided by state institutions. I ask myself whether such institutions have already seen to it to "leave us anchored at the zero level." As Stanislaw Lem used to say in his lectures, "It is better to have zero information than disinformation, for the latter is less than zero."

Fur Addresses Conference on Planned Defense Laws*93CHO197B Budapest MAGYAR HIRLAP
in Hungarian 28 Nov 92 pp 1, 3*

[Unattributed article: "National Defense Is the Entire Nation's Concern"]

[Text] Yesterday, in his closing speech at the two-day conference on defense-related legislation, Lajos Fur declared that national defense is the entire nation's concern, stands above party politics, and requires the widest possible consensus. Therefore the Defense Ministry is reviving policy coordination among the six political parties. In the course of coordination, it will be important to agree on what measures the government would have authority to adopt in case of an armed raid on the country; the question of surprise air attacks ought to be settled, as well as the constitutional status of the armed forces and of the border guards. An agreement ought to be reached on law enforcement during military states of emergency, and also on the competence of the National Defense Council, the defense minister explained. The question of the individual's absolute and inalienable right to life was raised at the conference.

The defense minister made it clear that the Constitution prohibits depriving anyone of his life arbitrarily, but a commander's lawful order does not fall in that category. A soldier must refuse to carry out an order to commit a crime. It can be established also in general, the minister said, that even the well-intentioned questioning of orders would undermine the Army's ability to function. He announced that a ministerial decree has been drafted, which will rescind 63 obsolete regulations. But he emphasized that the restrictions essential to national security would have to be kept in the same way as in the developed democracies.

The ministry would like the National Assembly to consider and approve the principles of defense policy before the end of this year. The ministry will prepare a draft bill on the legal status of members of the Armed Forces by 31 December. After the required gathering of comments, the bill will be introduced in parliament in the first quarter of 1993. The ministry is striving to have the National Assembly start deliberation of also the national defense bill at the beginning of next year.

Impact of Budget Cuts on Defense Doctrine*93CHO197A Budapest UJ MAGYARORSZAG
in Hungarian 3 Dec 92 p 5*

[Unattributed article: "What Is the Background?"]

[Text] Under Lieutenant General Antal Annus, the administrative state secretary at the Ministry of Defense, several high-ranking officials of the ministry attended a background briefing for the press. (The ministry will be holding such briefings regularly from now on.)

First, Antal Annus reported on the state of the Hungarian Defense Forces, and on the progress in formulating Hungary's defense doctrine. Due to budgetary difficulties, he said, the Ministry of Defense is only able to maintain the Army's ability to function, but before long there will be problems even with supplying combat materiel. Because of budget cuts, it is necessary to curtail spending on the Air Force; the pilots' flying time—already between one-third and one-fourth of the flying time for NATO pilots—will have to be reduced further. The planes are beginning to be regarded as museum pieces and will have to be replaced in 1994-95, no matter how difficult that will be. Sandor Turjan, in charge of economic affairs at the Ministry of Defense, clarified the situation regarding the ministry's budget. He pointed out that the 64.5 billion forints allocated for next year will mean only 43 billion forints net, after taxes and social-security contributions. Responding to a question, Antal Annus conceded that other countries in the area were also coping with similar financial difficulties, but their equipment and especially their air forces were much more modern, and their armies were larger. But that does not influence the orientation of the Hungarian Defense Forces, which is unambiguously defensive. The task of the Hungarian Defense Forces is exclusively to ward off aggression. Speaking of the external relations of the Hungarian Defense Forces, Deputy State Secretary Rudolf Joo established that those relations were good and were developing dynamically, but that of course did not guarantee by any means that certain countries would hasten to our defense in case of external attack. Major General Bela Biro, chief of the ministry's General Staff Section, outlined the strength of the Hungarian Defense Force: the total strength was 100,000, of which 76,000 were military personnel and the rest were civilian employees. In case of war, the strength of the Hungarian Defense Forces would increase. The Ministry of Defense would like to increase the proportion of professional and re-enlisted soldiers, but money is lacking for that as well. Major General Istvan Kelemen, whose responsibilities include also spiritual counseling among other things, said that chaplains—between 20 and 22—would be joining "the order of battle" next year. They would not be professional soldiers, but pastors with ministries in the districts of the given garrisons, and would ensure the soldiers' constitutionally guaranteed freedom to practice their religion.

Mayor on Impact of Budget Cuts on Cities*93CHO198A Budapest MAGYAR HIRLAP
in Hungarian 28 Nov 92 p 4*

[Unattributed article: "Demszky Is Worried"]

[Text] At his press conference yesterday, Budapest Metropolitan Mayor Gabor Demszky declared that the National Assembly's decision on sharing revenue from individual income tax—local governments are to get a mere 30 percent, while 70 percent will flow into the state budget—has deprived large cities of their ability to invest. He made clear that grants from central resources

would be sufficient only for operations and for maintaining a reduced level of municipal services.

Parliament's decision will mean a loss of about 6.0 billion forints of revenue for the capital and will jeopardize the realization of several investment projects. Work on investments already begun will slow down, and it is entirely certain that the capital will be forced to borrow. Gabor Demszky expressed doubts about the seriousness of the government's intentions to stage an expo in 1996. Only 3.0 billion forints is being allocated for the construction of the Lagymanyos Bridge, instead of the 4.6 billion forints required, and this makes questionable the completion of the bridge by 1996.

The metropolitan mayor regards the reduction of revenue sharing as a political step by which the government is attempting to prevent the large municipal governments, which are controlled by liberal majorities, from producing results that would be perceptible to the voters in 1994.

He replied with a categorical "no" to the question as to whether public institutions would be placed in jeopardy. He declared that the city's operation would have priority over all other objectives, and whatever happens funds will be found for the maintenance of public institutions. But he was unable to say whether mass transit fares would be raised.

MP Views Expected Impact of Value-Added Tax

93CHO198B Budapest MAGYAR HIRLAP
in Hungarian 28 Nov 92 p 4

[Unattributed article: "Nobody Can Evade Taxes"]

[Text] The public is over the first shock that the introduction of so-called double-dealing VAT [value-added tax] has caused, and the bill has been enacted. Among the coalition parties, the Christian Democrats produced perhaps the strongest dissenting opinion. We have requested Laszlo Sesztak—he is an MP [member of parliament] of that party and a member of the National Assembly's Budget, Tax, and Finance Committee—to explain to our readers what the Law Amending VAT means in practice.

The MP said that taxation is causing difficulties everywhere because nobody likes to pay taxes. East Europeans were brought up in the knowledge that they did not have to pay taxes, and stealing from the state was regarded as a feat. Everyone stole wherever and whatever he could. Under the planned, command-directed economy, the state built its revenue into the prices. In a democracy changing over to a market economy, however, taxes are the state's only source of revenue.

"A distorted tax system developed in Hungary during the past period," said the MP. "The rates of individual income tax were relatively high, and at the same time there was no tax on a proportion of goods. It was also realized in the West that nobody is able to evade taxes

when they are levied on consumption. We have now reached the point where the entire range of consumption is taxed. We should have introduced this at least a year or two earlier. Introduction is now a critical step because the population is becoming poorer, and that is why we initially insisted on two alternatives. One called for the retention of the zero VAT rate on a limited circle of products. The other called for compensating the needy. As the outcome of the talks between the coalition parties and the government, we found compensation acceptable. After all, we are compensating the retirees, the taxpayers with large families, and, through the local governments, the strata in need of assistance because of their social circumstances.

"We were able to accept the introduction of a 6-percent VAT rate (instead of the zero rate up to now) because it affects bulk consumers and those who are better off. Another reason in favor of accepting this rate is that foreign tourism, the hotel industry and public catering have been purchasing their supplies at the zero rate up to now. In other words, we were supporting also foreigners. And that is something the Hungarian treasury is unable to afford.

"We were forced to admit that, had the zero VAT rate been retained for a narrow range of goods, merchants would have taken advantage of the market's opportunities—we already have experience to that effect—and the prices of subsidized bread and milk would have soon risen to the level that includes the 6-percent VAT rate; in which case the clever merchants, rather than the state, would have pocketed the profit. Therefore we decided that, together with the compensations mentioned earlier, introduction of a 6-percent VAT rate would better serve the principle of sharing the tax burden equitably," said Laszlo Sesztak."

Procurement, Sale of Illegal Weapons Discussed

93CHO200A Budapest 168 ORA in Hungarian
3 Dec 92 p 5

[Interviews with Gyorgy Zohna, the manager of a gunsmith shop, and Police Lieutenant Colonel Laszlo Tonhauser, by Andras Svaby; places and dates not given: "Risky Business: Bricks in the Weapons Mafia"]

[Text] *With slight exaggeration, guns have been blazing away in our country in recent months, and everyone has a pistol except those who do not want one. We wonder whether it is true that the sale of weapons has become a booming business in Hungary? Andras Svaby first visited a gun shop and then interviewed Police Lt. Col. Laszlo Tonhauser.*

[Svaby] Gyorgy Zohna, you are the manager of a firm that operates a gun shop in Budapest. How much competition are you getting from the illegal weapons trade?

[Zohna] There is very stiff competition, especially in gas pistols, because many of those have arrived and are arriving in our country. We can readily estimate the

volume, because the owners come to us when they would like to get ammunition for their weapons. A license is required for that too. And from the questions we are asked it is obvious that the guns in question are unlicensed.

An Uzi for 6,000 Forints?

[Svaby] How many people come to you daily wanting to buy just ammunition?

[Zohna] At least 20 a day.

[Svaby] It has been rumored that the sale of illegal weapons has become intertwined with the sale of legal ones. In other words, that you can buy practically any kind of weapon from under the counter.

[Zohna] That is simply ridiculous. Anyone familiar with the procedures involved in the procurement, sale, and registration of weapons must know that it is impossible to do so.

[Svaby] Are there many people who would like to buy firearms without a license?

[Zohna] We do get such inquiries, but mostly from foreigners. We are unable to determine the nationality, because they attempt to communicate by gestures or they use the mixed language like one hears in the vicinity of the Keleti [Eastern] Terminal....

[Svaby] Lt. Col. Tonhauser, it is rumored that in the vicinity of the Keleti Terminal one is able to buy an Uzi submachine gun for practically peanuts—between 6,000 and 8,000 forints. Are you able to confirm that?

[Tonhauser] I have also heard that one is able to buy even atomic rockets in Hungary. In other words, there are all kinds of rumors. In the vicinity of the Keleti Terminal you may be able to find individuals through whom you could perhaps acquire weapons. The smuggling and illegal sale of arms is at least as risky as drug trafficking. Therefore the criminals engaged in such activity are extremely careful and precise.

[Svaby] In other words, they are professionals.

[Tonhauser] Of course they are professionals. They strive to organize their conspiracy so as to make it difficult to apprehend them. If it were true that at the Keleti Terminal you can approach any suspicious-looking character, tell him you want to buy a gun, whereupon he takes four or five guns from under his coat or accompanies you to his car where the deal can be closed, then the police would have no trouble rounding up these characters. All this occurs according to a quite different scenario. Let us assume that you are able to find a person who has contacts with gun dealers. He will make an appointment to meet you the next day or the day after. You and he part, but you will be followed to determine whether you are an undercover policeman. The meeting the next day will take place at a location where it will be possible to observe whether you came

alone, were accompanied by someone, or are being watched by the police. If everything appears to be in order, you might get to meet the seller. He in turn will want to convince himself that you are a serious buyer and have the money to pay for your purchase. If you do have the money, there is of course the danger that you might be robbed. In other words, this is a transaction in which there can be heavy losses. In the final outcome, it is possible to acquire a gun if a serious buyer finds a serious seller.

A Truckload of Weapons

[Svaby] You have described in detail how one can buy a gun. Do the police obtain their information by infiltrating this Mafia?

[Tonhauser] I always object to using the word Mafia because that applies to the conditions in Italy. I prefer to speak of organized crime. The police always strive to infiltrate such criminal circles, and also to arrest them of course.

[Svaby] Is it possible to clean up this type of organized crime, or is that hardly possible in practice?

[Tonhauser] By my estimate, a clean-up is still far away.

[Svaby] Have you been able to arrest any arms smugglers?

[Tonhauser] We have arrested many arms smugglers, both big ones and small ones. Recently we seized an entire truckload of weapons destined for Yugoslavia. The shipment included Czechoslovak-made handguns, U.S.-made professional automatic rifles, and various Winchesters. That was a large quantity of weapons, and the smugglers were professionals. But we have also seized small shipments, and have arrested also persons attempting to sell one or two guns.

Criminals Buy Abroad

[Svaby] Who buys guns in Hungary?

[Tonhauser] This is not how someone would buy a gun who plans to commit a crime and thinks that he needs a gun to carry out his plan. But there are people who feel that a gun offers them security and protection. Some people believe it is much quicker and simpler to obtain a gun by buying it without a license or second-hand. Therefore they do not even bother to apply for a license and to undergo training in the proper use of firearms. But that is a separate topic.

[Svaby] You mentioned that this was not the method by which criminals obtained weapons. What methods are available to them?

[Tonhauser] They go abroad and personally buy weapons from various dealers. That is much safer for them. The only risk they run is when they are smuggling the guns through customs. Abroad they have easier access to weapons and also a wider choice.

**Finance Minister Comments on Inflation,
Taxation**

93EP0086A Warsaw GAZETA BANKOWA in Polish
No 46, 15-21 Nov 92 p 13

[Interview with Minister of Finance Prof. Jerzy Osiatynski, by Andrzej Krzysztof Wroblewski; place and date not given: "Something for Something"]

[Text] [Wroblewski] It seems that in one interview you said there is a possibility of suspending convertibility of the zloty [Z].

[Osiatynski] This must be a misunderstanding or a journalistic provocation on your part! The most I might have said was that such a necessity would be a catastrophe because it would mean the collapse of our reforms.

[Wroblewski] In view of this, I will rephrase the question: Do you believe that people who demand greater intervention on the part of the government (therefore a decrease in market influence) are taking over power and are suspending convertibility of the Z?

[Osiatynski] Yes, I can imagine that, in order to check the drop in production or halt price increases, such people or such political forces are resorting to such measures. But this would very rapidly go against them. Manufacturers would stop counting costs, and earning Z's would not be a very strong incentive for them to exert themselves.

[Wroblewski] Then suspending convertibility is absolutely impossible. And what of a devaluation faster than the set Z9 per day relative to a basketful of currency?

[Osiatynski] Devaluation is an entirely different matter. It is a market, not an administrative instrument. The rate of devaluation is linked to the rate of inflation: The more rapidly prices rise, the more rapidly the Z will shrink.

[Wroblewski] Is Z9 per day an adequate rate? Do you not believe that inflation should be overtaken in one leap as was done twice in the past?

[Osiatynski] I am not an enthusiast of "leap" adjustments because they also evoke a leap adjustment in prices, which, for import, when combined with surtaxes, sometimes equalize the changes in the exchange rate and, in this way, add to inflation.

[Wroblewski] Besides currency exchange, we have many other instruments that support export and impede import: tariffs, turnover taxes. Recently, there has been talk of an import tax. How do our partners who want to sell the most to us respond to these practices? Don't they protest when we close ourselves off from them?

[Osiatynski] We want to introduce an import tax not because we have difficulties with the budget but, because of the deficit, there will be a more rapid outflow of money. When income increases in our country, import

increases even more rapidly. That is the rule. And that is not all! I believe (perhaps, more diplomatically, I should say "I hope") that, during the next few months, we will sign an agreement with the London Club. That will give us longer relief but will require certain immediate payments, and, even now, I have to set aside money for these.

[Wroblewski] I do not question that we have to have an increase in the balance of payments. But are our partners of the same opinion? Are they not accusing us of breaking signed treaties?

[Osiatynski] Both the GATT agreement and the agreement with the EC allow this kind of tax, but, under certain conditions, of which the most difficult one for us is this: It has to be applied equally with respect to all kinds and origins of import. More than half of Polish imports are raw materials. By placing additional taxes on these, we increase the cost of production or, in other words, impede economic stimulation.

[Wroblewski] Can we select a rate of this tax that would restrain consumption—let us say of perfumes, chocolate—but would not burden the manufacturers of shoes and cars?

[Osiatynski] That selective interventionism be prevented is exactly what this condition depends on. We made various computations of simulations beginning with 15 percent and finally settled on 6 percent.

[Wroblewski] Would it be dishonest to reduce the tariff or the turnover tax or both for importers of raw materials?

[Osiatynski] I do this unwillingly because this is actually hand steering, but I also do it without conviction because tariffs and taxes on raw materials are already low—that is, the room for maneuvering is narrow.

[Wroblewski] Before you became minister, you said that, if inflation is inevitable, it should at least serve development. This time, at least, I do not think I am changing your words.

[Osiatynski] That is exactly what I said.

[Wroblewski] Then you will agree that this a dangerous proposition. There are as many partisans of inflation as there are ways of life, and they can use your authority for support.

[Osiatynski] If someone wants to twist my opinion and infer that inflation serves development, I cannot help it. My comment was meant to indicate that, if the already increased outflow of money is inevitable, let it at least go toward investments, toward new jobs, toward the modernization of technology.

[Wroblewski] If it should go toward consumption, for example, that too would demand more employment, investment, and so forth.

[Osiatynski] That demand would be much smaller and not only because of what I mentioned a moment ago, that import also increases with consumption.

[Wroblewski] So, harness inflation to serve development. Now, when you are the minister responsible for the country's finances, would you repeat that proposition?

[Osiatynski] Now I would base it more firmly on numbers. We all know that, in Poland, too little is being invested and that wherever workers councils, directors, or supervisory councils can find money, they allocate it to wages, not to investment. Although numbers are deceiving, some indicate scarcely several percent of profits, and others, the profits amount to 30 percent. I would use numbers to support my opinion: If we must live with inflation as a necessary evil, let it at least leave us something for the future.

[Wroblewski] The prime minister has recently spoken in the Sejm of the need to increase investments, adding that the government does not want to call for belt-tightening. Would you say the same thing? Can we get along without belt-tightening?

[Osiatynski] There is no precise answer to that. For some it will be tighter and for others looser. And do not ask me if I would say the same thing. Being popular for making promises that are pleasing to the ear is not the purpose of the minister of finance.

[Wroblewski] Who will find the belt tighter and who looser? You are responsible for the division of burdens. Are you sovereign in your decisions? Or do specific social groups, political parties, or influential persons exert pressure?

[Osiatynski] I am not responsible for the division of burdens. I propose a plan for the division, and then the decisions are made by the government and presented to the Sejm.

[Wroblewski] Excuse me, but perhaps you are trying to dodge my question. I know what the procedure looks like. What I want to know is to what extent you have to yield to lobby pressures and deviate from what knowledge of economics would dictate.

[Osiatynski] I could say that no theoretical optimum exists that is independent of social realities, but, again, you have accused me of dodging, and you might even be justified in doing so. I do not know who made visits to my predecessors, what kind of arguments they used and what they left with. I feel myself to be autonomous in my decisions. From increases in prices to the amendments to the budget for the next year recently proposed to the Sejm, I was guided by all of the information accumulated in the Ministry of Finance and the Central Planning Administration, and not by someone's wishes.

[Wroblewski] According to that information, pensions should have been more freely revalorized. Meanwhile, the Sejm rejected that proposal. Is this a confrontation

between economic information and amateurism, or are these two different political strategies?

[Osiatynski] For the Sejm, I am not a faction. My job is only to constantly remind them that it is always "something for something" and to present the consequences of the choice made. From the ethical point of view, it is better, of course, to favor pensioners. But I must tell the Sejm and public opinion that that decision leaves less possibility for an increase in wages. That, in turn, will weaken the dynamics of increase in productivity.

[Wroblewski] But those are not certainties. It may be that way, or it may be otherwise.

[Osiatynski] You are right. I do not have 100-percent certainty, not with respect to public reaction and sometimes not even with respect to the numbers. We are guided by hard data and a little by foresight and a little by the experience of other countries—and frequently also perhaps by intuition. But I cannot satisfy the Supreme Chamber of Control, which demands from me a chemist's precision in predictions for the structure of taxes or budget income. That is like demanding a precise water-level measurement during a raging storm.

[Wroblewski] What kind of storm are you speaking of?

[Osiatynski] I am speaking of the serious crisis of our economy. As consolation, compare the predictions of budget income with recent results in the United States, England, France, and Germany during a crisis period. The deviations were absolutely fantastic!

[Wroblewski] If so much depends on intuition or the subjective factor, then isn't it better that the government is so pressed by the opposition? That forces you to greater care.

[Osiatynski] I assure you that this has no influence on professional honesty. We inspect every plan assiduously, consult many specialists, and so forth.

[Wroblewski] Do you believe that the weakness or strength of the government coalition has no influence on your work?

[Osiatynski] I did not say that. Coalition in itself forces us to compromise. I am not, for example, convinced that raising the tax ceiling to 50 percent is a good solution or that the negative consequences will not outweigh the positive. But this was the decision of the government coalition, and I will not only implement it but also defend it.

[Wroblewski] Is your judgment the same on invariable tax thresholds? In the coming year, even an average wage will be subject to taxes for the rich....

[Osiatynski] No, I consider this to be the only solution for budget income to be sufficient to finance public policy. The only alternative would be an increase in turnover tax, but that would be reflected in prices and in future investments. Therefore, it is better to tax income.

[Wroblewski] But will that money go to the budget? The system of collecting taxes is so imperfect, and I will not even mention the dishonesty of tax payers....

[Osiatynski] Our Sejm committee is proposing approximately Z100 billion of additional funds for the treasury and tax apparatus. I hope that will be an investment that pays off rapidly.

[Wroblewski] Mr. Minister, you are the third manager of this ministry to be visited by me. If you had the choice,

which of the three ministers would you want to be? Whose term was most attractive?

[Osiatynski] You are probably expecting a witty answer from me, but I will say that none of us had an easy time of it. Leszek Balcerowicz laid the foundation for a market economy in Poland, and he will certainly be noted in history as a reformer. Andrzej Olechowski made many effective efforts to prevent wrecking what he had inherited from Balcerowicz. Did I become minister at the right time? That is not for me to judge.

Negritoiu in Roundtable Discussion on Reform
93BA0392A Bucharest "22" in Romanian 3-9 Dec 92
 pp 8-9

[Article by Andrei Cornea on roundtable discussion with Misu Negritoiu; place and date not given: "At the Group for Social Dialogue—On the Continuation of Reform"]

[Excerpts] [Passage omitted]

[Thomas Kleininger] Today we have with us Mr. Misu Negritoiu. The question we are all asking is whether reform has started yet. From what I understand, Mr. Negritoiu believes two important steps have already been taken. The first is a change in legislative staff, which he attributes to the Romanian Government. The second are institutional changes, which are also in progress. But now we are getting to reform *per se*, to the real economy. I am not an economist but I now have a lot to do with our economic reality in my capacity as managing director of the Humanitas Publishing House. I will not try to hide the fact that we are up against immense difficulties, many of them coming from the government. Thus, Mr. Negritoiu, what are the prospects for those who really want to implement a market economy in Romania, and what are the chances such an economy would succeed?

[Negritoiu] For my part, it is an honor to meet with the GDS [Group for Social Dialogue]. To the extent that our society has produced some valuable institutions in the last two to three years, I believe that the GDS is one of them, as, in another way, is the magazine "22." I can sincerely state that I have followed from abroad with nostalgia the debates and personalities brought together here.

I have occupied myself in particular with macroeconomic problems. I believe that I can even sketch some directions and take some action toward the creation of some institutions, mechanisms, and specific forms for a market economy. In elaborating our entire strategy, I have proceeded from the following: I have never held that we are at the beginning of reform. Reform is under way. In two years I have even derived some conclusions, learning from personal experience as well as from that of the economy and society taken together. The Romanian economy finds itself in a central European context, with the behavior of a socialist economy. Although the countries of the region have many things in common, I am still quite convinced that considerable differences remain between us. That is precisely why measures applied in Czechoslovakia or Hungary do not have the same consequences in Romania. In building a strategy for restructuring, I have started with the specifics of the Romanian economy. The Romanian economy, more than any other in central or eastern Europe, has a decidedly autarchic character. It is an economy that has tried to produce everything, no matter what the cost. This is where the lack of international specializations comes from. At no time in this economy was there discussion of the basic economic law of comparative

advantages that would have to be determined by industrial development. From the autarchic character, apparently, derives a fundamental structural disequilibrium. Hence reform must be implemented in three basic parts: macroeconomic stabilization, transformations of the system, and structural or sectorial adjustment. Reform of the system has begun through the reform of the institutions, to which has been added the liberalization of prices, the elimination of subsidies, and the transformation of property, measures that were absolutely necessary and which the Stolojan government stressed in particular. Still, the real economy has not responded. It was said that the structural adjustment would have to result from the liberalization of prices. After all, in a somewhat balanced economy, such as that of Czechoslovakia, the same measures produced a certain stability, but their economy functions better than ours. With us, they had nearly the reverse effect: They reinforced monopoly positions that derive from an apparent autarchic nature and they worsened the structural disequilibrium, especially the power disequilibrium. We proposed stressing measures for adjustment by sectors and we believe this process has to be orderly. Here is where I see the role of the state. In fact the role of the state has declined through a retreat of state institutions from the current administration. Thus we have proposed reviving the reform program, concentrating on the three mentioned parts, while stressing structural adjustment—since the liberalization of prices by itself has not led to structural adjustment as we hoped it would.

I would identify five priorities now:

(1) An urgent structural adjustment by eliminating or even attenuating the very pronounced power disequilibrium, accompanied by social protection programs, precisely to avoid an explosion that could put reform itself in jeopardy. The resources expended in sectors where we pay as much as six or seven times more than actual cost relative to world-market prices, can be redirected to other programs.

(2) Medium-term structural adjustment by sectors. We need to define comparative advantages for the Romanian economy and, in accordance with these comparative advantages, identify priority sectors.

(3) The restructuring of enterprises and companies. Only on the microeconomic level do I see the process of modernization and retechnologizing. In the draft worked out in 1990 for the transition to a market economy, I was shocked by the way in which modernization and technology were treated. It was, to put it bluntly, evidence of the continuation of the five-year plans through its undifferentiated globalism. In this process of modernization, privatization can be produced simultaneously. We have affirmed in the government program that we want to increase the program of public and private investments. Financial resources exist in the economy; funds are available; funds which, in fact, cannot be directed

toward investment projects because there are no institutions that could assume responsibility for the management and investment of these resources with the guarantee that they would be regenerated.

(4) Privatization, the restructuring of enterprises and the development of the private sector are processes that go hand in hand. We need those kinds of institutions—management and investment companies, investment companies—companies of the type created by the Czechs, for example, of which there are tens, if not more, and which, in fact, manage the process of privatization.

(5) Finally, we need to develop a new private sector, the true embryo of the market economy. It will develop separately or in parallel with the actions of privatization, through the appearance of new enterprises, especially small and medium-sized ones, the registration of which will have to be simplified.

I see privatization as a remarkably difficult technical procedure. If we do not know how to assimilate a certain set of technical procedures, our success will be modest.

I hope to attract our best specialists, regardless of their political affiliation, into an advisory staff. We are also thinking about foreign consultants. Likewise, we consider international assistance programs (PHARE, BIRD, etc.) to be very important.

[Ilie Serbanescu] You have been speaking in the plural: "We." Does that mean that what you are telling us represents the government program or simply your views?

[Negritoiu] I did not come here representing the government, only myself. When I said "We," I nevertheless based that on two documents in which these ideas are found, even if in a different form: the presidential message to Parliament and the government program.

[Serbanescu] Compared to the positions taken by other government members, your views (which I consider good) are different. Do you think this program will be accepted within the government party framework? On the other hand, within the framework of urgent structural adjustment, don't you believe it necessary to close large, unprofitable, energy-consuming enterprises?

[Ulm Spineanu] Mr. Negritoiu, the problem is that if your ideas were really to be adopted by the government, an urgent structural adjustment would all the more have to be adopted that would decouple the large energy consumers, and this would risk a social explosion. Mr. Negritoiu could find himself between a rock and a hard place represented, on the one hand, by the necessity of the proposed economic program and, on the other, by the limits of what was socially supportable. Furthermore, the FDSN [Democratic National Salvation Front] program does not contain enough solid economic values.

[Adrian Severin] With regard to a reform of the system, the Romanian government had done nearly all it could. We have run into the resistance of the old structures.

That is why an analysis of power relationships remains essential. We know that Mr. Negritoiu does not represent the FDSN and that he wants reform to continue. We support this program, but we are afraid that it will be sacrificed in the end because, in my opinion, the first to oppose it will be cabinet colleagues themselves. I would add that, truly, the idea of global retechnologizing is aberrant and that the celebrated Postolache draft refers to it, through a socializing reflex. The Roman government has distinguished the three components of reforms: reform of the system, reform of structure, and macroeconomic stabilization. As far as reform of the system is concerned, in my view nearly everything has been done. Then the Stolojan government came in, which concentrated on macroeconomic stabilization, and did enough. During this period, reform of the system did not advance at all. The reform is coherent from a conceptual viewpoint. Incoherences appear in application, especially because of the power relationships of the diverse levels.

On the other hand, the dimension of the private system has to be brought to a level of critical mass, of 50-60 percent, in the very next stage. We need to think how to help someone who can protect the forward course of reform without the FDSN program being represented.

[Daniel Daianu] I see a flaw here, not only of our discussion but of the public debate of Romanian society. Beyond the noise being made, party positions are being expressed that forget the ordinary citizen. We need to know not what one party or another does, but how the ordinary citizen lives and thinks, since his reaction will be motivated by what happens in society. This will be very hard for Mr. Negritoiu: not necessarily the connection between him and those who think the same as he and the FDSN, but how the program for continuing the reform will be received by the ordinary citizen.

[Mihai Sora] I recall the participation of Mr. Severin about two years ago. I then posed a very simple question having to do with the relation of economics to politics, to which Mr. Severin did not reply then other than with a rather optimistic smile. My question was: What will you do with the presidential troika? The troika then was composed of Mr. Barladeanu, Mr. Martian and Mr. Iliescu. Now only Mr. Iliescu remains. I posed the question because one of the elements of economic reform, as followed from the statement of Mr. Severin, was this: an incentive for the worker to enrich himself in some other way than what he had been used to up until then. What struck me then was the great contrast between the declaration of President Iliescu of a day before, where Communist-type ideas were clearly evident. Thus my question is: What do we do with the political factor?

[Negritoiu] For me it is a unique professional opportunity to participate in a government that stands for a continuation of reform, as well as a civic duty. Thus far I have had good relations with President Iliescu. In the course of many meetings (of which the last was several days ago when the government program was worked

out), I submitted these problems to the president. The acceptance of this program will very much depend on our powers of persuasion.

I also consulted with the leaders of the FDSN, asking about the party's economic program and about the team that it all worked out. I talked with about seven or eight FDSN people and we understood each other very well. I once said that the transition does not have a political orientation (I was contradicted then by Dinu Patriciu, whom, as a politician, I understand), that it is not of the left or the right and that we have to be concerned about the ordinary citizen. I also invited collaboration. Thus I would not want to see too much speculation about two things: the difference between what we want to do and the FDSN program, which could stir up a subjective opposition that could generate blockage; and, the second thing, the difference between me and the prime minister. Although we speak a different language, I believe that we complement one another.

I start from the idea that I will use everything that I can and that I know, hoping that the gaps will be filled in by collaborators and friends who can help me in this regard.

Meanwhile, certain supporting points in the FDSN electoral program, such as the limitation on foreign capital to 49 percent or the creation of a million jobs, were forgotten along the way. Since the program is composed of words, I abstract the essence, sort out, and develop the ideas.

With regard to urgent structural adjustment, it is unacceptable to maintain a mining sector where the ore costs seven times what it would cost were we to import it. It would be more profitable to close the mines, redirect those resources, even paying the miners their salary for a period of two years. That would be an alternative.

[Vasile Pilat] This means that the miners would have nothing else to do but come to Bucharest!

[Severin] This project was considered two and a half years ago.

[Negritoiu] We were thinking in terms of regional programs. [passage omitted]... We were thinking about two regional programs—Baia Mare and Valea Jiului—with regard to industry, environment, agriculture, and tourism, programs for which we even have the support of the Common Market. We could convert part of the labor force that way.

I have an obligation to come up with a constructive alternative.

With regard to the liberalization of prices and convertibility, there were two alternatives: a minimal one and a maximal one, of which the latter was chosen, which is not bad—only we did not have a currency reserve of 3-3.5 billion dollars. We went on to convertibility at the beginning of 1992 without this sum.

Coming back to privatization, if from a technical point of view the process is not credible and clear, the idea itself could be compromised. Accordingly, the correct idea of enterprise management autonomy risks being compromised by an improper application of Law 15: The rights and responsibilities of managers were not brought into synch. No matter what you say, Adrian, blocking the very process of privatization was a shortcoming of your government.

[Severin] I agree that the law has been improperly applied; but it is, in fact, a good law.

[Daianu] If it was improperly applied, that means it was improperly explained.

[Severin] I agree with that.

[Mariana Celac] To Daniel Daianu's sadness concerning our debates I would add my own, which is older and results from the fact that I have rarely delved into the deeper aspects of the conjectures developed here. In the good tradition of an architect, I do not know how to choose between alternatives except those generated by an explicit measure. It would be interesting, nevertheless, to know what the alternatives were from among which the choice was made and how they emerged. Finally, the big problem of the program (as Mr. Negritoiu's team is proposing it) remains: What is the minimum amount of social insecurity we can tolerate while producing a maximum amount of reform?

[Ana Sincai] Just recently there was a discussion in Parliament of the law regarding the date of expiration for turning in the certificates of privatization. To what extent can political factors obstruct the stages of privatization by a postponement of a month or so? On a different issue, what is going to happen with the bankruptcy law? Will it be evaded? And if not, will the idea of continuing the reform not become unpopular? [passage omitted]

[Gabriel Liiceanu] I admired the calm with which you spoke, the same calm that Mr. Severin showed two years ago. This calm comforted me for a day or two, but then I had to tell myself again that all this is just a smoke screen. If you as a minister, as a servant of this people, have taken on this task, it means that you know what terrible social misery you are leaving off from and the drama we are all caught up in so that your beautiful projects can acquire an ounce of realism. I would not speak if I did not know the enormous distance between what Mr. Severin dreamed of, proposed, and promised to do two years ago, and what, in fact, happened. There are immense administrative and bureaucratic obstacles along the way to privatization. For example, the credit accorded profitable private companies, including the Humanitas Publishing House, was granted under worse conditions than that given some state enterprises. If privatization were desired, it would be normal for it to be supported, it would be normal for our success to be diversified, generalized, but I can state that, on the contrary, it is locked in, isolated. It's all very well to

come with a social assistance program, but I know that Romania's production at the present time represents 40 percent of what was produced in Romania in 1989. So then I ask myself the question: How do you support a social assistance program when production is so much lower than three years ago? By taxing the people. Thus I receive social assistance, as an ordinary citizen, from my own taxes. I also know, for example, that there is one reality, that there are these enormous enterprises that swallow anything—like a black hole, into which any credit, internal or external, is sucked without a trace. Even if all the world's gold were to be ploughed into the Romanian economy, it would be absorbed in these economic structures. I know that all the salaries paid to these bankrupt institutions come from taxes on the citizenry, especially from taxes on the deterioration of institutions that are doing well and that little by little will no longer have any interest in doing well if their pluses lead to the infinite minuses of the others. Thus if you confront this reality, how can you believe that the ideas you have put forth can take on any substance? To what extent will we not be present at a new declaration of intentions; to what extent will we not have to come 33 years later to ask again what is the dream, thus what is privatization?

[Bogdan Hosu] I want to raise a point about what the minister said: There isn't just one type of privatization. But the basic principle is the same: a transition to a market economy. But there are many kinds of market economies, ranging from the South-American type of market economy to the Belgian type of social economy. And there are a lot of variations in between.

Another problem. I didn't see anything in your program about the restructuring of wages, something that has important economic and social consequences. Mr. Daianu is absolutely right: If there is no consultation with social partners, then there will be blockage of the system owing to misunderstanding. [passage omitted]

[Daianu] We do not understand that in this society there are a host of processes beyond the control of the authorities, whoever they may be. After 50 years, people no longer respect authority, morality, institutions in general. There is a veritable "civil rebellion." However, we are proposing institutional reconstruction when in fact it took Western societies hundreds of years to build their structures. But time cannot be compressed. If we ask a lot and expect a lot from the government, it must be understood that there are limits beyond which we cannot go. We think that after the collapse of December 1989 we are dealing with different people. We are ignoring both the continuity and the discontinuity of the past. [passage omitted]

[Gabriel Andreescu] Because the period we are going through is pre-eminently unstable, the big danger is adventurism. Happily, governments have to be much more serious and more reasonable than the political world, which is pre-eminently adventurist. I do not know if the current government will succeed in assuring the

desired stability even at the level of the previous government. Premier Stolojan, despite his clearly unpopular policies, received a certain amount of trust from the people. Mr. Stolojan also introduced, among other things, a certain measure of transparency. I have the feeling that this clarity remains one of the basic factors protecting the government structure both from adventurism from above and from pressure from below. To what extent do people like you intend to be clear in what you propose to do?

[Virgil Stoenescu] During a discussion about a year ago, I expressed scepticism that the government could demopolize. I also wondered about the permanent tendency to generate a new bureaucracy. It's all very well for Mr. Negritoiu to be optimistic, but I'd like to ask him how he believes it possible to effect short-term adjustments based on comparative costs and advantages when economic theory tells us that this presupposes free exchange. Your message assumes a kind of least-amount-of-evil theory.

[Negritoiu] I would like to summarize my responses to the questions raised here. We are trying to apply perfect ideas to an imperfect society and economy. The theory of free trade, of economic liberalism, operates one way in a society that has constructed mechanisms of a market economy (no matter what the variants may be), and in a different way here. We cannot apply these concepts except at the moment when we are ready to build a market economy. The risk is that the state will take the decisions and do the restructuring instead of the citizenry or an economic agent who would have to react in one way or another in conditions of a market mechanism. I agree that there has to be intervention to create institutions and mechanisms, the structures of a market; after that the market can function. In fact, the state is frustrating the citizen's freedom to take a decision.

When we proposed simplifying the procedure for the registration and functioning of companies, we had in mind precisely day-to-day problems.

Even if we sound sententious, we learned clarity from the Stolojan government and we propose to practice it ourselves. Stolojan inspired a feeling of trust because he, personally, was very sure of himself and what he was doing. We will not be able to judge until some time later whether or not we succeeded in doing the same thing.

Extending the interval for the distribution of the certificates of ownership was not a government initiative, but we supported it in a spirit of equity for everyone.

The process of medium-term restructuring, which, of course, will be a partial process, will be correlated with the bankruptcy law. We intend to promote the bankruptcy law.

I referred to comparative advantages, but efficiency, as we understand it today, will not be the absolute criterion

and will not absolutely determine comparative advantage. The bankruptcy law in itself will not operate without administrative intervention. But, it is precisely microeconomic restructuring together with the bankruptcy law that will lead to the removal of the gangrene off of this economy.

I did not have several alternatives as a point of departure. There was only one.

In any case, I would dare to believe that after two or three years I will still be able to look you in the face, that what I will have undertaken will not have been against my wishes and that it will not have been a compromise.

Bulgarian-Macedonian Trade Deal, Resolution 787
93BA0315A Skopje VECER in Macedonian 27 Nov 92
p 3

[Report by D. Strezov: "Breaking Out of the Glass Cage"]

[Text] *The two governments have agreed that UN Resolution 787, which prohibits any transit via Yugoslavia, must not be considered a hindrance to the transportation of Macedonian petroleum and petroleum derivatives from Burgas to Macedonia via Serbia, for the sanctions of the international community were imposed after the Macedonian-Bulgarian agreement on fuel transport was signed.*

New intergovernmental discussions and a seminar for economic managers of both countries will take place, most likely in Pernik.

Two days ago, on the initiative of the Republic of Macedonia, an urgent meeting was held in Sofia between representatives of the governments of Macedonia and the Republic of Bulgaria, headed by Deputy Prime Ministers Jordan Andonov and Ilko Eskenazi. Also present at the talks were the Macedonian Minister of the Economy Petrus Stefanov and the Bulgarian Minister of Finance Ivan Kostov and Minister of Trade Aleksandur Pramatarski.

The Sanctions Are Not Violated

The topic of the discussion was the transportation of Macedonian petroleum located in Burgas—72,000 metric tons—and the sanctions imposed by the United Nations with Resolution 787, according to which it is prohibited to transport petroleum and petroleum derivatives via the former Federal Republic of Yugoslavia.

Based on what we know from previous experience in the hauling of this type of energy from Bulgaria, the hauling by road proved to be, to begin with, very expensive and, second, very difficult with the existing connections between Bulgaria and Macedonia.

Therefore, the most practical solution appears to be, once again, hauling by rail. However, Resolution 787 is currently questioning this type of transportation, for railroad connections between Bulgaria and Macedonia pass exclusively through Serbia along the Dimitrovgrad-Nis-Skopje railroad.

From the viewpoint of the sanctions stipulated in Resolution 787, the Bulgarian Government seems to feel a certain uncertainty in ensuring the continuous and reliable transportation of Macedonian petroleum, for which reason there have been quite lengthy interruptions in shipping petroleum and petroleum derivatives from Burgas to Macedonia. The Bulgarian side has openly stated, and repeated in the discussions that were held two days ago, that the only obstacle to the elimination of transportation difficulties is its fear of violating the

sanctions imposed by the United Nations and the international community by allowing the transportation of the petroleum across Serbian territory and thus draw the anger of the international community on the country. This hesitation on the part of the Bulgarian authorities was actually the main reason for the Macedonian initiative to hold this urgent meeting of the government delegations, in the course of which an agreement was reached as a result of great insistence on the part of the Macedonian Deputy Prime Minister Andonov for Bulgaria to ensure the regular transportation of the petroleum from Burgas to Macedonia, for this was an agreement between the two countries concluded prior to the adoption of Resolution 787. In practical terms, this means that neither Macedonia nor Bulgaria are violating international sanctions, for that agreement was concluded at a time when there were neither legal nor physical obstacles to its implementation.

Urgent: A Railroad Connection

After reaching agreement on the main topic of the discussions, the representatives of the two governments expressed a high degree of readiness to consider the establishment and even greater expansion of reciprocal economic cooperation. In that context, it was pointed out that such economic cooperation inevitably requires a railroad link between the two countries, for which much more serious and more responsible efforts must be made for the implementation of such a requirement.

The government delegations agreed on holding a seminar in the immediate future, to take place most likely in Pernik, with the participation of representatives of the larger economic firms of both countries, followed by the chambers of commerce and, naturally, the governments.

In the course of the discussions, which took place in a very friendly and efficient atmosphere, agreement was reached about yet another very urgent meeting to be held between government representatives, at which all possibilities of developing economic and other ties between the two countries will be considered. Great attention will be paid to settling the question of payments between the two countries, which would have very positive consequences in expanding economic cooperation and, particularly, lowering the prices of goods subject to trade.

At the conclusion of the talks, the two delegations agreed that Bulgaria and Macedonia will make efforts to secure the approval of the United Nations for transportation via Yugoslavia for goods that would be the subject of forthcoming talks between the two countries, and thus make use of the railroad connection that now must go through Serbia.

The Serbian authorities, according to what is known in Macedonia, and what was confirmed by the Bulgarians as well, would make no obstructions whatsoever to such transit shipments through their territory. And again, for the United Nations to be certain that such transit via Yugoslavia will not be used to transport goods and

energy to meet Serbian needs, both countries, the Macedonians above all, would provide guarantees that in no case would such shipments violate international sanctions.

One of the possible ways of controlling the observance of the sanctions is monitoring the railroad compositions by Bulgarian state officials or United Nations officials, the cost of which the Macedonian state is prepared to assume.

In any case, Macedonia is not guilty of anything, and should not find itself locked inside a glass cage without a way out.

[Box, p 3]

Urgent: Representation

The meeting, which was urgently initiated by Engineer Jovan Andonov, indisputably proved that Macedonia and Bulgaria can work intensively on opening diplomatic missions in the main cities of their respective countries.

This is so that diplomatic representatives may resolve the various problems that normally arise as a result of the contemplated expanded economic cooperation, as is dealt with in the developed countries, instead of being resolved by prime ministers, deputy prime ministers, or individual ministers of both countries.

[Box, p 3]

Daily Requirements

For the winter, Macedonia needs, on a daily basis, approximately 1,700 metric tons of fuel oil, 400 tons of high octane gasoline, and 400 tons of diesel fuel.

It is believed that if such amounts are to be hauled by tanker trucks, whose capacity is about 20 tons each, a column of trucks some 4.5 kilometers long would have to be driven every day from Bulgaria to Macedonia and back.

Added to this transportation absurdity is the cost of the fuel consumed by the trucks themselves and, naturally, the cost for about 480 drivers (two per tanker truck).

[Box, p 3]

Lost Tank Cars

The situation with railroad transportation in the Balkans is in a state of real chaos. No one knows who the owners of the tanker cars are, the country to which they belong, and where they are located outside the country.

In the course of the discussions, Bulgarian Minister of Trade Aleksandur Pramatarski complained about the situation in which the Bulgarian state railroad finds itself. He gave a striking example: Several weeks ago Bulgaria found itself "short" of some 4,000 tank cars.

The Bulgarians did not know in what country the tank cars were located. It seemed that they were "somewhere in Yugoslavia."

Although one month ago 2,600 tank cars were "located," the remaining 1,400 "had totally disappeared."

"Who knows on what sidings they are standing and whose goods failed to be delivered," young Minister Pramatarski complained.

Vojvodina Hungarians Forbidden To Honor Victims

93BA0351A Budapest KOZTARSASAG in Hungarian
4 Dec 92 pp 112-113

[Article including interview with writer and researcher Marton Matuska by Jozsef Szabo in Ujvidek; date not given: "The Right To Mourn"]

[Text] *With reference to the sensitivity of the population, the majority of which is Serbian, this year on All Soul's Day [31 October] it was forbidden once again to honor the victims of the massacre of Hungarians in October 1944. Jozsef Szabo interviewed Marton Matuska, Vojvodina writer and researcher of the events, about the tribulations of the crosses for the victims.*

This year Vojvodina Hungarians mourned for the innocent victims of the 1944-45 invasion of partisans. A few years ago it was not advisable to even talk about how the armed men, celebrated as liberating heroes, dealt with not only the occupiers, but also with a considerable portion of the defenseless Hungarian population. Since then, Hungarians here have lived under the shadow of a constant suspicion: that of anti-Serbianism and fascism. During the times of Tito, when the dogma of brotherhood and unity was enforced, the lot of the condemned and stigmatized Hungarians was silence. The authorities and the official writing of history hushed up the atrocities of partisans against Hungarians in Vojvodina at the end of 1944.

Historiography in the era of the one-party regime was only prepared to acknowledge the mass reprisals by the soldiers of Horthy's army against Jews and Serbs in 1941 in Bacska and especially in 1942 in Ujvidek [Novi Sad], with its several thousand innocent victims. It not only glossed over the 1944 counter-terror in silence, but also ignored the fact that several times local Hungarians stood up in front of the commanders of punitive expeditions by the Hungarian Army that occupied the South and prevented the massacre of Serbs rounded up for execution.

Marton Matuska, a journalist from Ujvidek, one of the founding members of the Democratic Alliance of Vojvodina Hungarians [VMDK], gave an overall picture of the military administration introduced in October 1944 in Bacska, Banat, and Baranya counties and the massacres of Hungarians of the area under its guise in a series of interviews published in MAGYAR SZO in 1990, which

also appeared a little later as a book. A year later in Budapest he was awarded the Gabor Bethlen and Istvan Szechenyi prizes for this work, which did not claim to have exhausted the topic.

We talked with him in his home in Ujvidek about the tribulations of the crosses for the innocent victims and the reprisals.

[Szabo] Shortly after All Soul's Day a desecration occurred in the Catholic cemetery of Ujvidek, just like in the past two years. Why?

[Matuska] We have tried now for the third time to honor the Hungarian victims of 1944 and 1945. The authorities did not give us permission to do so. In spite of this, we took the liberty and went to the cemetery, where we mounted a cross, which was quickly removed. Local official historiography has not acknowledged the massacre of Hungarians up to this day. According to the authorities, such a memorial service irritates the majority population that lives here. For this reason, the cross was removed under circumstances unknown to us.

[Szabo] What is the reason for the official regime's refusal to acknowledge the Hungarian victims, and for representing them as culpable?

[Matuska] One of the reasons is that people who had something to do with the massacres obviously are still sitting in the official organs. They are the loudest. They are not only able to influence public opinion, but they also have a say in the administration of power. They claim that the people who were executed were murderers and they got their just desserts. They cannot support with a single document that anyone was proven to be guilty at the time. By secretly stealing the cross from the cemetery at night they demonstrated their own fear. Up to now we were afraid; we didn't even dare mourn for our dead. Now those in power and those guilty are afraid because the truth is coming to light.

[Szabo] Did a provocation similar to what happened in Ujvidek occur in any other areas of Vojvodina?

[Matuska] As far as I know, there were no disturbances; the memorial services were held everywhere quietly, without the presence of the authorities. Passions flared only in Ujvidek. Here we are still most definitely forbidden to keep their memory alive. We tried many things. First, we wanted to commemorate the anniversary in a separate ceremony. Then we asked the organizers of the memorial services for the victims of 1941 and 1942 to do so together. They firmly rejected the idea. If the authorities ruled that we cannot set up a cross in the cemetery, saying that our dead are not there, we will ask them to finally show us where the mass graves are; then we will commemorate them there.

[Szabo] Ask permission to mourn? It sounds strange.

[Matuska] We will not ask for their approval; we will only announce what we are going to do. We would like to see the state acknowledge or admit what happened. We

want them to treat it as a historical fact. If we participate in the commemoration of the victims of other nations—and so far we have always done so—we expect them to express sympathy to our victims, as well.

[Szabo] Why was military administration introduced in October 1944?

[Matuska] According to the official justifications, it was introduced so the massacres by the Horthy army would not be avenged on the Hungarians. This cunning was characteristic of Tito's politics; by this measure he achieved exactly what he officially spoke out against. They never said that these were tragic events. They said that the guilty paid for their sins, or that the fascist murderers were called to account. They never ever said that innocent people were executed. This is how official historiography treated the matter, as well.

[Szabo] How did they prove that these people were guilty? By which law?

[Matuska] They did not prove by any law that any of these people were guilty. There were committees that assembled lists of the names of those accused, and they rounded up the accused themselves as, for instance, in Zenta [Senta], where the local Hungarian Communists at the time thought that the guilty will be called to account. Before they knew it, the Hungarians they rounded up were executed overnight.

[Szabo] On whose initiative did the operation against innocent people take place?

[Matuska] This whole affair is still obscure. I have no doubt that Tito was involved in it. True, he acted as if he had been the one who put a stop to it. He seemingly called the Vojvodina leaders to task. This happened around the table with brandy in hand—and the matter was laid to rest.

[Szabo] How long did this situation go on?

[Matuska] From the time the military administration was introduced, that is to say, from the end of October 1944, until the middle of March 1945. Partisans executed people in detached farmsteads earlier than that, but those were not mass executions. The massacre lasted for 10 days after the arrival of the partisan troops in almost every municipality populated by Hungarians. It was characteristic of the massacres that they rounded up Hungarians of standing whose word meant something in a community. The fact that they executed 19 or 20 priests speaks for itself. We don't know anything about the victims among Hungarians who lived scattered in Syrmia, and we also have no data about large towns like Topolya [Backa Topola] in Mid-Backa. Omoravica, also in Mid-Backa, is a peculiar rarity; there, the organization of the Communists was especially strong during the war. So strong, that Jozsef Zsaki, local party official, prevented the massacre by drawing his pistol.

[Szabo] How many victims did this internecine war have?

[Matuska] One of the chiefs of the secret service in Vojvodina at the time told historian Dr. Sandor Meszaros that Tito and one of his close associates asked him to make an estimate of the number of the Hungarian victims. The chief of the secret service estimated the number of victims to be 20,000.

[Szabo] In the present mood characterized by war psychosis, certain groups would like to see the Hungarians of Vojvodina beyond the border again.

[Matuska] I think this is the result of a newer policy by the state. This policy utilizes the possibility which the earlier one also applied towards Hungarians. The accusations remain. And this applies not only to the Hungarians of Vojvodina. Such a policy doesn't care about reason, only about achieving its own goals.

[Szabo] Do you see a possibility for objectively filling in the blank spots in this tense atmosphere?

[Matuska] This is a matter of life and death for Hungarians here. If we cannot settle this matter soberly, using exact data, then we cannot extricate ourselves from the spiritual deprivation into which we were pushed by the events of 1944, 1945, and the more recent ones following them. Then we will always feel what was hammered into us: That we are a guilty people. One of the prerequisites for our survival is that we can explore these blank spots, the spots of mourning, and that we can hold our memorial services, just like other nations.

Defense, Control of Macedonian-Serbian Border

93BA0321A Skopje VECER in Macedonian
21-22 Nov 92 pp 8-9

[Report by Goran Mihajlovski: "The Wind Blows From the North"]

[Text] *How secure is the border with Yugoslavia?*

It is precisely the northern border that is the easiest to cross, although the international community is cautioning that the greatest danger to Macedonia comes from Kosovo.

On the evening of 6 November, when the now-familiar Skopje Bit Pazar riot was taking place, a number of travelers from Macedonia, who frequently travel down the Skopje-Pristina road, noticed that it was on that Friday, which was unusual for the end of the work week, that a long line of vehicles with Kosovo registration was waiting to enter our country at the border crossing point in the vicinity of General Jankovic. This fact by itself may have remained one of minor importance and gone unnoticed if only two days after the tragic events on the streets of Skopje, a communication by the Ministry of Internal Affairs [MVR] had not informed us that during the riots some 20 foreign citizens, most of them from Kosovo, in neighboring Serbia, had been detained.

All of this, combined with the constant trumpeting by the public media that the war is knocking at the gates of

Macedonia, backed by the assumptions that the war would most easily spread if it starts with Kosovo and in a situation in which it is precisely the border with Serbia that is the loosest and the least supervised, inevitably raises the following question: Is Macedonia truly treating its northern border as a state border? Particularly when we know that it is because of the fear of a war that could spread, coming from the north, that the international community reacted by sending a mission of observers from the CSCE, headquartered in Skopje, with branch centers in Kumanovo and Tetovo, which makes the actions of our state authorities unserious and, to say the least, illogical, as they provide the lowest possible protection precisely for the side from which, objectively, the state is the most threatened.

Military Defense

When we posed this question to, respectively, the Ministries of Defense and Internal Affairs, we were assured of precisely the opposite. The Armed Forces have been boasting for the past two or three months of the eight border posts and their plans for the opening of three others. The police claim that the attitude of their border personnel is the same as that at border crossings with the other neighbors: Albania, Greece, and Bulgaria. Except for one remark, such as, "Well, we are slightly more tolerant toward Serbian citizens."

As to military protection, in a way it has functioned since May of last year, while the Yugoslav People's Army was still stationed in Macedonia. The MVR, which at that time had the only existing armed forces, not only had plans for closing all roadways in the case of any eventual military aggression, but also had activated, on the basis of an administrative frontier, reserve police stations that were in charge of physically closing the border. Since last January there have been police border personnel who, as the Yugoslav Army withdrew, assumed the protection of the borders with all neighboring countries.

Currently the border with Serbia is being secured by the Armed Forces. As the Ministry of Defense informed us, the border posts on the northern border are already manned by 70 percent of the entire peace-time troop strength. In two months alone, the border guards have exposed about 250 attempts at illegal border crossings. All those who were apprehended were directed toward the official border crossing points.

Temporary Sites

At the crossing points the situation is not treated as an ordinary state crossing, however hard the officials try to convince us of the opposite. The reason, to begin with, is that the seven border crossings with Serbia, which were hastily opened last spring, are considered temporary. A border crossing point is established on the basis of an international treaty. However, Macedonia and the Federal Republic of Yugoslavia have still not granted each other reciprocal recognition, and there have been no

agreements reached between the respective ministries on leveling the road and about establishing the necessary infrastructure.

In the recent visits paid by Yugoslav Prime Minister Milan Panic to Macedonia, it was stated that reciprocal recognition will be followed by the appointment of an intergovernmental commission, which will settle all joint unanswered issues. Such a commission is bound to define the frontier line as well. If the present border is considered a border between countries, and bearing in mind that the Macedonian Assembly and the Assembly of the Federal Republic of Yugoslavia have stated that neither country has any territorial claim toward the other and that they accept the present borders, the marking of the border could be completed quite easily and quickly. The Republic's geodesic administration has detailed maps on the basis of which this can be done.

If there is agreement, the only issue remaining is that of establishing the border-crossing procedure. The specific impression is that Macedonia, as a state, is still not using its full right of protecting itself from unwelcome guests in the manner practiced by many other countries.

Control

Officials of MVR state that with strict observance of the laws, according to the system for crossing the borders, Macedonia could attain the standards of Great Britain, Switzerland, Germany, and so forth. It is at this point that we come to "well, we are somewhat more tolerant toward Serbian citizens." This is confirmed, first of all, by the fact that citizens of our northern neighbor can enter Macedonia by producing nothing but an identity card. It is true that the law stipulates the possibility of citizens of other countries to do the same, but only by permission of the government. As to the Yugoslav citizens, it is obviously a question of some kind of silent agreement. And, if one can enter the country with an identity card only, it is clear that control possibilities become more limited.

For example, the Law on Crossing the State Border stipulates that a seal is stamped on the document. The foreigners can have their papers stamped in entering our state. An identity card cannot be stamped, nor could one determine how many times a foreigner has entered the state. So far, there has been proof that "undesirable guests" from the former Yugoslavia have entered the country. And Macedonia, like any other country, takes down the names of foreign citizens who are forbidden to enter our country. Usually, this applies to people who have been expelled from the Republic of Macedonia for security reasons and who are considered international criminals, or else people about whom substantiated doubts exist that they come into our country with the intention of engaging in terrorist or other criminal activities, and individuals whose stay in our country would cause a financial burden to the state, and so on. As confirmation of this, in accordance with the law, the Republic of Macedonia has the possibility of protecting

itself from unwelcome guests according to the stipulations of the Law on Travel and Residence of Foreigners, which grants discretionary powers to the internal affairs authority to refuse to issue a visa or to prohibit entry into the Republic of Macedonia. The fact that no one is astonished any longer by the news that one of our citizens has been turned back at the border of a Western country by the border police for apparently most insignificant reasons would make it strange if the same is not done by the Macedonian police should it have any suspicion that a foreign citizen from a neighboring country is not simply a well-intentioned tourist.

'Do Not Be Excited!'

The police are merely obeying the rules issued by the "higher" political leadership. Bearing all this in mind, it turns out that the Macedonian policy of "do not be excited" applies in this case as well. Or, as we are usually told by the Ministry of Foreign Affairs, "In no case is it to our benefit to worsen relations with Serbia." That is precisely the reason that, probably, while waiting for the albeit temporary border crossings to be opened, the building of border posts has been dragging, and one can note the carelessly repainted trucks which, using forged UNPROFOR [UN Protection Force] documents, list Bosnia and Croatia as their alleged destination....

We were recently told by a ministry official, regarding the excessive openness of the northern border, "We do not wish to close that border. On the contrary, we would like the borders with Albania, Greece, and Bulgaria to reach the level of crossing ease as that with Serbia." The answer to the remark that it was precisely this that justifies the claim that the threat to Macedonia is the greatest coming from the north, is the following: "The MVR alone can, on the basis of its own views, determine whether the current system for crossing the border is a threat to the state's sovereignty."

In any case, in order for the resolution of such issues between governments to be undertaken, the Serbian side should take up the initiative of Yugoslav Prime Minister Panic. All unresolved issues, including the technical ones related to the infrastructural organization of border crossings, are linked to the formal recognition of the Republic of Macedonia by the Federal Republic of Yugoslavia. The Ministry of Foreign Affairs is convinced that this is the real way to establish normal intergovernmental relations in which, as one of the most important issues, the system for border crossing will be resolved.

Concern About War Psychosis in Macedonia

93BA0380A Skopje VECER in Macedonian 9 Dec 92
p 9

[Article by M. Mitevski: "Anticipating the Worst?"]

[Text] *The people accept the constant psychosis of war. To a greater or lesser extent, they learn to live with their fear,*

and war and preparations for war are becoming part of daily life along with the hope that, somehow, the worst will not happen.

According to the experts, the threat level has not increased, and military scenarios may be countered with peace scenarios. However, one must also see to the elimination of internal factors, as they are elements of the threat.

Fear is part of the mentality of our people who react that way, for which reason they must be given all the facts and be able to assess for themselves the various situations.

If any kind of threat or fear is constantly reiterated, and consciously or subconsciously promoted, eventually it becomes an obsession among the public and a virtual reality. That is what usually happens in life. It is no accident that the people anticipate, expect, and trigger the worst. Something similar has been happening of late, specifically on the question of whether there will or will not be war!

For a number of days and even months this topic has been discussed by the present authorities, the opposition, military specialists, and ordinary people, and it has not disappeared from the pages of the press or in radio and television broadcasts both at home and abroad. Everyone looks at this subject from his own point of view and assesses it through the lens of his own knowledge and facts; there are also party-promotion factors all within the framework of daily political assessments and interests. The people believe all this, and to a greater or lesser extent learn to live with their fear while war and preparations for war become part of their daily life along with the hope that somehow the worst will not happen. As to the unquestionable fact that there is a potential threat, suffice it to look at the long-term role that Macedonia has played as the apple of discord in the Balkans, the role played by a land and a nation in which all the forces surrounding it have shown an interest and have laid claims on it.

A Military Scenario for Peace

The military scenarios on intervention in Macedonia, inasmuch as we hear about them, and however dramatic they may have sounded, according to Dr. Dimitar Mircev, professor at the philosophy department, are not and cannot be an introduction to war. They still constitute politics without arms. The very publicizing and elaborating of such scenarios pursue political objectives, and are efforts to achieve something that if achieved through armed means would be quite costly and involve a great deal of risk. According to him, despite their public and dramatic nature, such scenarios constitute a political-propaganda instrument. They excite, threaten, and destabilize, they create a social psychosis and sometimes even panic, and their purpose is for the policy of the country subject to such scenarios to be changed, redirected, and confused.

"Naturally, scenarios and strategic plans and plans for aggression exist, and so does an entire technology for their application and execution. It would be very naive not to believe this," Mircev states. "Actually, this is also the official duty of the general staffs, the strategic units, and services for special and psychological propaganda used by our neighbors as well."

Nonetheless, this is also a policy to which one answers with a policy in an entirely opposite direction. Regardless of the great foreign, economic, social, and ethnic pressures affecting Macedonian policy, so far, according to Mircev, it has efficiently responded to such scenarios with a peaceful, dialogue-oriented, and nonviolent scenario of its own. Nonetheless, it is a scenario that does not compromise with the rational, civil, and state interests of Macedonia, nor with the dignity and pride of the Macedonian people and the ethnic groups within the Republic.

According to Dr. Dimitar Mircev it is exceptionally difficult to continue to live that way, especially under the conditions of an international lack of understanding and difficult social, economic, and interethnic problems. On the other hand, a more careful study of the actual situation in Macedonia would indicate that Macedonia has some strategic advantages in terms of military scenarios. Regardless of the extent to which Macedonia is the Balkan "powder keg," which could explode at any moment, Macedonia controls the detonators for such an explosion. In practical terms, through its policy Macedonia is promoting detente and the balancing of Balkan power interests, which is the strongest weapon against military scenarios. This is also the tremendous responsibility of Macedonia in terms of its own existence and that of the other Balkan nations.

The Effects of Instilled Fear

Drawing up a quick list of the elements that could adversely affect the Macedonian situation and the potential threat of an escalation of undesirable developments, Dr. Trajan Gocevski, dean of the Department of Philosophy and former minister of defense, points out that all that is happening in former Yugoslavia is reflected here as well, as becomes apparent whenever the situation is assessed. According to him, three types of elements may influence a worsening of the Macedonian situation: internal, external, and global.

"The internal elements that determine the stability and security of a country are its overall economic, social, interethnic, and other conditions. However greatly we may wish to eliminate the negative consequences in these areas, they exist and are reasons for concern. Hence we must concentrate our efforts on surmounting internal negative conditions as a potential element for the escalation of the situation," Gocevski says. "The external factor does not directly threaten that situation. However, a closer study of the problem indicates that at a given time all such factors could turn from a possible threat to a real threat to Macedonia. The external factors become

secondary as the recognition of Macedonia approaches, particularly considering the unknown reaction that will be triggered in all of our neighbors for such reasons. The global factors are, for the time being, positive, when viewed from the perspective that they provide a scope for Macedonia to become part of the collective security system in Europe. As to the escalation of the problem, through its existing mechanisms this system would be able to prevent the outbreak of a war."

According to Dr. Trajan Gocevski, under such circumstances one should not excessively promote the concept of the threat of war, for any constant emphasis of the threat of war instills pessimism and neuroses in the people, and a feeling of threat could be a source of internal destabilization and excesses.

The constant emphasis by the media and by the politicians in power of the danger of a military threat, according to Dr. Ilina Todorova, professor of military psychology at the Department of Philosophy, is very easily accepted by the people in Macedonia who, historically, have developed a built-in fear. This is not only fear of others but also fear of themselves.

According to Todorova, constant manipulations in politics, and great corruptions with relations, enterprise privatization, and an emphatically comprehensive system of values make people afraid. The people do not actively react to what is happening around them, but instead alienate themselves from others and begin to be concerned with hoarding gasoline and food, and so forth. The tragedy is that there is the lack of awareness that no one, should the worst happen, would be able to save himself alone, and that everyone will be affected equally.

According to Todorova, in the past, when there was no fear of war, we tried to determine in an organized way how to react to all the weaknesses of the system. Now, when the potential threat of war exists, the people find themselves totally unprepared. They do not know who will do what in such a situation, where to hide, and even what to take with them. It is as though there is no one to tell them what to do, although we have the proper ministries for this purpose.

According to Dr. Ilina Todorova, the people should be frankly informed of all the elements of the situation and then, on that basis, make their decisions and act accordingly. Otherwise the instilled fear may go on existing and lead to engaging in various manipulations.

First-Year Evaluation of Macedonian Constitution
93BA0319A Skopje NOVA MAKEDONIJA
in Macedonian 21 Nov 92 p 13

[Article by Kapica Cangova: "The Spirit of the Constitution Did Not Come to Life"]

[Text] *The state was unable to embrace the political, economic, and democratic system. For lack of adopted laws, the new Constitution is practically inapplicable.*

Clash between the old and the new constitutional system. Legal regulations are needed for the establishment of a true civil society.

Precisely one year ago, on 17 November, Macedonia acquired a new constitution, which marked a significant stage in the establishment of our state independence. We acquired a modern concept for a civilian constitution that encompasses the state-political traditions of Macedonia and the experience of the parliamentary democracies of Europe and throughout the world, elements that were positively evaluated by the most noted constitutional law experts. The formulation of this supreme act of state presumed the implementation of major tasks and the reorganization of all means of legislation and the establishment of all the required institutions of a sovereign and independent Macedonia. In practice, however, one year after the promise for the fast implementation of this "law of laws," we cannot boast of having taken any major steps forward or at least of being on the right path to the establishment of a political, economic, and democratic system.

The time that has passed since the Constitution was adopted is too short to be able to evaluate the constitutional development of any country, according to Laze Kitanovski, who as member of the expert group was most directly involved in the drafting of this noted document. However, a country cannot function only on the basis of a constitution, for a constitution is applied indirectly. When we speak of a constitution, what is important is whether the constitutional spirit has been adopted by the state. Constitutionality means a spirit of justice, a spirit of democracy, a spirit of honoring standards. However, although all of this has been achieved on an intellectual level, we have not felt it in practical life, and it is at this point that serious problems arise. There still are some parties in parliament who are referring to the Constitution, but in an ideological-political sense, rather than in the constitutional-legal sense, which causes the main difficulty in its application.

Violated Deadlines

Kitanovski stresses that, actually, following the promulgation of that document we did not begin to enjoy democracy, for we immediately fell within a kind of national chauvinism. The expected intensity of the liberation of the intellect as a result of the spiritual joy of democracy is lacking. The spirit of the Constitution is largely interpreted on the basis of a national-chauvinistic-ideological viewpoint, which is perhaps one of the main reasons for the fact that some people failed to understand the nature of the Constitution. The parties that are participating in the division of the powers would like to relieve their frustrations, tensions, political ignorance, or political immaturity by misinterpreting the Constitution. We have a situation in parliament according to which one discusses everything other than the laws. This could be a tragedy for democracy in a state. Laws are being submitted to parliament while

fraud and ideology are being promoted within the parties. The parties may still be ignorant, but in the time between the elections and the present it sufficed for their members to understand what is the task of the parties and what is the task of the legislative power, Laze Kitanovski believes.

Actually, the facts confirm that within the past year, which was to be a period for rich legislative activities and for a "harvest" of laws with which a statehood in the true meaning of the word would be established, not enough strength was acquired for the specific implementation of the constitutional stipulations. The consequences of the disfunctionality of the system are being felt in their entirety at every step we take and in virtually all areas of life. The deadlines to which we were committed were violated and no one bears responsibility for this, and it is entirely likely that the same situation will continue in the future. This applies not only to priority basic laws, 16 of which stem from the constitutional law and are part of it and whose deadline has long expired (as early as six months ago), but also to all other laws which violate the Constitution of the Republic and which should have been passed on the basis of a consensus.

Blocked Courts

Out of 16 basic laws, the representatives have passed only seven: on statehood, crossing the state border, movement and residency of foreigners, road corrections, defense, the flag, and the anthem. Some laws that are being delayed impermissibly include the organization of the third branch—the judiciary. These are the laws pertaining to the Republic judicial council, the courts, the prosecutor general, and the public prosecutor. This delay practically and to a great extent blocks work in the courts. The processes of elected judges have been halted, and so are those for public prosecutors whose term has expired. This means that these people are carrying out their function until conditions for the election of new personnel have been provided. It is true that the packet of judicial laws is in its final stage (with the exception of the law on the public defender, which is about to be submitted) and is the first item to be considered at the 51st Assembly session. However, this debate is already three weeks late.

As to privatization, the draft bill of which was issued a "visa" for Assembly debate, there is no guarantee that in this case the work will go smoothly, for we can see at the very beginning that the battle will be fierce. Let us not mention the laws on local self-government and the territorial division of the Republic, which affect local interests and the power of local personalities in organizing the life and functioning of opstinas and which are bound to be followed by a display of various appetites and obstructions. The law on the identity card has created an insurmountable barrier. In this case the dispute has entered the dangerous waters of the most sensitive area, that of interethnic relations. For the time being, there is no likelihood that a law on the state seal will be passed, for under the conditions of divisiveness,

it appears that the choice of a symbol would not be able to garner a qualified two-third Assembly majority unless one of the sides were to yield.

The Clash of Systems

Let us not mention the importance of 600 laws which are not of a basic nature but which are necessary for the normal functioning of the state. There are no precise data as to how many of them have been passed, but it is obvious that their number has been small, insignificant. This means that in various areas relations are still being regulated on the basis of the rules of the previous state and system, with unconstitutionally approved laws. This is confirmed also by the Macedonian Constitutional Court, which states that the deadline for reaching an agreement concerning the old laws is one year from the adoption of the Constitution, hence a number of postponed decisions.

At the present time we are operating with two legal systems: There are few laws based on the new system and there are increasing clashes between the old and the new constitutional systems, according to Fidanco Stoev, a member of the Constitutional Court. Now, however, after the deadline has passed, no further tolerance is possible, and the court is free to intervene in the case of any law that it determines is in conflict with the new Constitution. It is now free either to revoke the law in its entirety or some parts thereof. We were told at the Constitutional Court of an interesting and rather absurd example of the lack of harmony between the Constitution and the old law. The death penalty is not included in the Constitution. It has been abolished. However, it exists in the criminal law, and if someone were to argue in its favor, he would have been entirely in his right. There is also an argument about the new laws passed by the Assembly, such as the law on temporary measures on taxing goods and services, the law on defense, and a tax on foreign travel. In the first of these three laws the government was empowered to change the stipulations of the law on trade in certain goods. However, the question of how far does the legislative function go and where does the executive function begin is a classical example of the inapplicability of the Constitution.

Inapplicable Constitution

The principle of the division of powers is a major issue facing the Constitutional Court. In similar issues and in matters of the correlation between the legislative and executive authorities, for example, according to Stoev, the French Constitution stipulates that the government is the one which must address itself to the parliament to request such powers. Nonetheless, it is the Assembly that must approve the request, and the question is whether now this right could be transferred to someone else. If this is possible, why should that other entity not be able to transfer this right to a third entity, and so on. In this case there is no guarantee of any kind of security in

economic life. However, the state does not dare to let anyone to hold a position involving any kind of temptation.

In terms of the application of the Constitution, we are still on the level of resolving political problems, for no laws or other regulations are being adopted in order to structure the system and then to make the functioning of the system for the defense of the Constitution possible, according to Jordan Arsov, the president of the Macedonian Constitutional Court. According to the new Constitution, no assessment of constitutionality and legality has been normally formulated. There is a lack of legal regulations governing the organization of a truly civil society and describing the status of the citizen with his freedoms and rights, which by no accident holds a leading position in the Constitution. The courts cannot be satisfied with constitutionality and legality, for they are not being applied. There are no prerequisites for their application, although the most frequently quoted institution is the Constitution as a defender of everything that is included in and stems from it, and we are doing everything possible to act in the spirit of the new Constitution. Such is the striking situation. However, it calls for rolling up our sleeves and quickly rescuing the state, which is functioning with increasing difficulty. The more so since its citizens lack the power to oppose the accumulated problems, which were created by the non-implemented mechanism in their own state. Patience is nearing its end, and it cautions that life is waiting for its laws.

Macedonian Assembly Chairman Andov Interviewed
93BA0261A Skopje VECER in Macedonian
14-15 Nov 92 pp 4-6

[Interview with Stojan Andov, chairman of the Macedonian Assembly, by Branke Geroski and Vera V. Adzigogova; place and date not given: "I Do Not Replace Ministers"]

[Text] *I was invited to visit the United States as a political leader who has contributed much to the development of democracy in his country, according to the invitation I received.*

As you will see for yourselves, there was no special occasion for interviewing Stojan Andov, the chairman of the Macedonian Assembly, although there were reasons. Our discussion was open, harsh, without pauses, without interruptions. We hope that the readers will forgive us the fact that some of the interview dealt with us as well. We hope that they will understand the reasons for this.

[VECER] Your party recently stated that under certain conditions it would withdraw from the government coalition. At the same time, in the context of the issue of foreign currency savings, you also said that you would bring down the government as well. Does this mean that you believe the time has come for you to leave the coalition?

[Andov] First, as to my statement: I did not say that we shall overthrow the government. What I said is that if that government does not hold onto the fundamental principles of the development of a market economy, then we shall not remain in it. I then said that for the time being this government is continuing to follow the program conceived by its chairman. I do not know what makes you say that our party will withdraw from the government....

[VECER] Was that not mentioned at yesterday's press conference?

[Andov] Judging by what I read in the press what was said was that this would be considered.

[VECER] Yes, what would be considered would be an eventual withdrawal or participation in the coalition.

[Andov] Or participation. Not withdrawal but participation.

[VECER] Is there any other essential disparity here?

[Andov] If you were to analyze the concept of participation, you could reduce matters to what exists, how it exists, and so on.

[VECER] In what sense may accounts be settled?

[Andov] In the sense that one may see what has been achieved over the past 60 days, how it was achieved, what must be done afterwards, and what to emphasize.... I am not clear on this point; I do not know how it was stated, and I did not attend the press conference. That is what I understood from the television.

[VECER] Are you unfamiliar with what was discussed at that press conference?

[Andov] The party position was adopted without my participation. You know that I am not the party's chairman. The position was not established. This will take place at the republican meeting, as I was informed.

On Frckovski, Malevski, and Privatization...

[VECER] The reason I am asking you this is that it is being said in the halls of the Assembly that the background of the statement on reexamination, as you say, of participation in the coalition, is your lack of tolerance of Minister Frckovski, mainly because in the past, when the government was being formed, he refused to join your ticket.

[Andov] You see, I am not aware of displaying some kind of intolerance with Frckovski. I value this person, who is very good, and I even find him sympathetic. I do not know when such intolerance occurred and in what way. There has been no intolerance whatsoever. In politics decisions are not based on personal likes or dislikes. We have no intention whatsoever of bringing Frckovski down. To the best of my knowledge, this entire matter is totally unrelated to him. Now that you are raising this issue, let me tell you that from what I was

told by those who were discussing the composition of the government, it is true that Frckovski was the first to be asked to be our party candidate, for it is our assessment that this is a person who is able to head such a department....

[VECER] And you, as a party, want this department?

[Andov] We want it because we believe that it is in that area that major reforms must be made, but that such reforms have not been made. Our people asked him to become our candidate. He refused. He did not say that he did not want to be part of our ticket, but that he wanted to be in a ticket put together by all political parties. Well, our people said that they cannot accept a joint ticket. There can be no politically oriented government if there is a joint ticket. Whether we shall support him if we know whose candidate he is is a different matter. Furthermore, we said that we are not interested in the ministry, for they are not giving it to us. Frckovski explained the ticket, and we have nothing against supporting him. However, we do not accept him participating in a joint ticket.

[VECER] But did you not support Mr. Malevski, for instance?

[Andov] We accepted him but without any particular satisfaction. With no satisfaction. We believed that these are concessions that should not be made, but he did not want to join Frckovski within a single party, and we decided to make one exception and nothing more.

[VECER] If we interpret rightly what you said in the Assembly, you do not agree at all with the government's privatization concept. You even claim that if the government holds on to it you will once again raise the issue of the coalition, correct?

[Andov] No, that was not said.

[VECER] Which means that we misunderstood. Would that be a good enough reason, should the government continue to support this concept?

[Andov] First of all, I think that having major issues such as the conversion from public to private capital to be traced to a specific author, to be the work of a minister, let us say, is not a good thing, for this indicates a change of an entire epoch. It should not be linked exclusively to an individual and to that individual's views and concepts without being supported by a political decision.... No, this is not related to the coalition. If you truly heard what I said, you would see that deep within the changes that must be made we come to this law as an instrument that leads to making the greatest possible changes in our country. I think that we must have the strongest and broadest support and understanding so that no one will feel that he has been cheated. Let me tell you, regardless of right or wrong, that the highest share of employed and retired people who have participated over the past 50 years in the creation of this public capital think that it belongs to them.

[VECER] Conceptually, you disagree. But how did you vote in the Assembly?

[Andov] I voted for the plan! And the conclusion was that all propositions should be taken into consideration and studied.

[VECER] Does this mean that during the next stage you will be insisting on your own views?

[Andov] We shall be waiting for convincing proof that we are wrong.

[VECER] And what would happen if nothing of what the government now wants is kept in the proposal?

[Andov] We shall pass a law in accordance with the wishes of the majority. Our people will probably not vote for such a law. Such is the current belief. If proper arguments are presented, we shall vote for it.

On the Coalition, Manipulations, and Confidence...

[VECER] It is being speculated in the halls of the Assembly that what you are doing with the government is, actually, an attempt on your part to take over. It is even being said that you consider yourself the successor to President Gligorov.

[Andov] No. To begin with, the attitude of our party toward the government is extremely correct. The fact that one of the coalition partners, anyone, may have different views on major problems is normal in coalition governments. No one in a coalition government would agree to being nothing but a vote-stamping machine. The attitude toward the government is entirely correct. Therefore, what is being rumored in the halls of the Assembly is being generated in those same halls. Let someone show us even a single case of improper behavior displayed by one of our party toward the government. As to me, you are interested in whose successor I shall be: I will not succeed anyone anywhere, nor am I making any efforts to hold power. The function of Assembly chairman does not grant any powers. It involves tremendous responsibility and a great deal of work.

[VECER] In the context of what you are saying about the functions of Assembly chairman, you are being frequently accused from the rostrum of manipulating the parliament. You declare recesses, you interrupt sessions arbitrarily, and so on. Now, if we understand you correctly, you say that this is a burden. Could it be that the opposite is true, and that you feel manipulated yourself?

[Andov] You see, manipulation depends on the point of view: Some parties and assemblymen would fail to leave their mark if they stick strictly to the topic of the debate, for which reason they attack the chairman as a means of proving that they are active. Have you noticed how many attackers we have in our Assembly? Yet when it comes to major issues, such people are usually silent. Let us consider the latest debate on public capital. Who among those who are constantly attacking stood up to

express his views and submit his own proposals? This could be interpreted as a manipulation from the rostrum. The purpose is to give the impression that they would sacrifice themselves and God knows all that they could do for that country, yet they are being victims of manipulation, and so on. Let me tell you that it is impossible to manipulate the Assembly if the entire world is following its proceedings.

[VECER] What do you think, what is the view of the world, what is the view of the people who are observing you?

[Andov] I do not know, I do not deal with surveys, this is not my job.

[VECER] However, such attacks, according to you, also include the claim that you are abusing your function as Assembly chairman. When are you speaking as Assembly chairman, and when are you speaking as party chairman?

[Andov] These are manipulations from the rostrum, made by some representatives. If this is a charge of abuse, one knows what is demanded: A demand to discuss the chairman's actions must be filed by 20 representatives.

[VECER] How would you feel should this occur?

[Andov] Fine, this is normal political struggle. It is absolutely normal.

[VECER] Did you attend the republican convention in the United States as party representative?

[Andov] No, I was invited as a political leader who has contributed an exceptionally great deal to the development of democracy in his own country. That was the way the invitation was worded and you can think whatever you wish.

[VECER] Do you take this as a compliment?

[Andov] That is what was written. It was Macedonia and not I that was complimented for the development of democracy and for the fact that there are people in Macedonia who are concerned with this issue.

[VECER] Who paid for that visit, was it the Assembly or the party?

[Andov] It was the Assembly.

[VECER] You were invited as the political leader of what party?

[Andov] Ask them. Nothing was said about it. I was invited as a political leader who has done an exceptionally great deal for the development of democracy in his country. That is what was written.

On the Elections, the SOK [Public Accounting Service]....

[VECER] According to some observers, your party's gains in the first parliamentary elections were due to the rating of Ante Markovic. At the byelections in the three electoral districts the liberal reformists suffered catastrophically. This is an unquestionable fact. There are those who predict that in the next elections your party will burst like a soap bubble.

[Andov] There are forces that are not only predicting but also stubbornly working to this effect. Other than that, let me tell you, in those three electoral districts we were considering whether to run at all, for both in Strumica and Gazi Baba we were not successful in the previous elections either. As to the 111th district, the campaign that was being waged against our candidate and our party by the media also made its contribution.

[VECER] Are you specifically referring to VECER?

[Andov] VECER as well. Above all, VECER.

[VECER] If we understand you properly, what happened at the elections...

[Andov] Is no indication whatsoever.

[VECER] You do not recognize it as a defeat?

[Andov] No, this is no indication whatsoever.

[VECER] Do you think that this was the result of some outside forces?

[Andov] No, they are all here, they are Macedonian.

[VECER] Could you identify them?

[Andov] No. We can sense it but we are not dealing with this issue.

[VECER] Do you think that the outcome was not due to your involvement, to that of the party?

[Andov] If you look at our party, and if we start on the basis of what it has accomplished, and of the program since the elections, you will see that the main results in Macedonia are along the lines of the implementation of our program. We have the Constitution as a basic document. We are trying to legalize the issue, and it is normal that we wish to accelerate the development of a market economy. In this area we found quite fierce opposition by some information media on the key question of the SOK. It is clear that the forces favoring the status-quo were, at that time, substantially stronger. They opposed us and made various insinuations against us, and ascribed to us intentions that we have never had. It was important to put an end to such activities. Now we are looking at the consequences.

[VECER] What are the consequences?

[Andov] Let me give you one example: Trade with Slovenia is much lower than it could have been, because

the method of payments presents an obstruction and, naturally, this applies to the SOK.

[VECER] Why not make payments through the banks?

[Andov] The SOK was included in the agreement. That was the reason that I stressed at that time.

[VECER] The SOK should not have been included in the agreement?

[Andov] That is what I said. However, I was attacked for that. If you failed to understand this it means that you were still not clear on this matter, and that the attacks were made by those who did not understand what was involved.

[VECER] Are you alluding once again to the attacks in VECER?

[Andov] No, this is a fact. It does not matter, you can attack. What matters is the outcome.

[VECER] No one insisted on the SOK being used. The question was whether, as you insinuated, to eliminate the SOK immediately or else to establish a time frame during which its functions would be assumed by other institutions.

[Andov] No, this was not the dilemma. The dilemma was whether we had to develop a concept to resolve all such issues on the basis of a typical market economy, in which the SOK would be eliminated and replaced with a system of financial institutions. At that time I merely said that no such proposal had been submitted either by the government or by the SOK. I insisted on the development of a concept that would be drafted by the SOK and that would replace it with new institutions. This was attacked. Today as well the problem is not whether the SOK should be eliminated immediately but what to replace it with. To this day the others would like it to be a gradual transformation, which would take 10 to 15 years. The concept that I was the first to formulate is gaining increasing popularity.

On Jumerovska, Kljusev...

[VECER] On the subject of the resignation of representative Jumerovska from your party, the party reacted with an announcement that was interpreted as disqualifying her. Did you have anything to do with this announcement? Furthermore, is this method suitable for a party that claims to be both liberal and democratic? And if you were personally involved, we ask you whether it is normal, whether this is proper for a personality that has "contributed an exceptionally great deal to the development of democracy in his country"?

[Andov] Let me tell you: As to the announcement made by the party, ask those who made the announcement. You should ask them, not me. I do not perform party functions.

[VECER] In general, do you not communicate?

[Andov] No, not for such matters.... I am a party member, which is normal.

[VECER] As a party member, could you not express your own view?

[Andov] No.

[VECER] Therefore, you abstained?

[Andov] I am a member of the party. Why should I stand aside? I am performing my function, which is a state function.

[VECER] Does this mean that you are not annoyed by the fact that you, as a party member, cannot express your view on this matter?

[Andov] Such is my position. This is normal, for the republic committee on the drafting of the Constitution stipulated that I must not perform party functions.

[VECER] Is this a question of party functions?

[Andov] What else?

[VECER] As a party member, to tell us what you think.

[Andov] No, why do I have to express my party's views while I am chairman of the Assembly?

[VECER] Here is why. To take this specific example, it is being said that Jumerovska will not be the only person thus affected. Allegedly, there are several representatives from your parliamentary faction who are already thinking of the party camp they intend to join. Is that accurate?

[Andov] I do not know. I think that this is absolutely inaccurate. We have regular meetings of the parliamentary group that of late I have been asked to attend, and I have seen no indications of this.

[VECER] In a recent interview given by Mr. Kljusev to our newspaper, if you allow me to mention it, the former prime minister hinted at the problem of relations among the members of the state leadership. It included a diagnosis of you as an individual. You may comment on this if you feel like it, but our question is different: Is it accurate that it is customary for you to assume powers that are not yours as Assembly chairman? We believe that the charges leveled at you may be reduced to the fact that you are holding the power. What is the extent of your power?

[Andov] Generally speaking, according to the Constitution the Assembly chairman has no executive authority. All the Assembly chairman can do is to talk with the prime minister and agree on the specific nature of materials that are submitted to the Assembly and draw his attention to the practical aspect of what can and what cannot be done, when can it be done, and how can it be done. The moment materials reach the Assembly, if there are practical shortcomings, and I am not suggesting

that they must be eliminated by the government, at that point I assume responsibility.

[VECER] Does it mean that you consider your functions exclusively in terms of that relationship?

[Andov] Yes, that is why I have been summoned to attend such meetings whenever there are issues that must go through the Assembly. I have pointed out to Mr. Kljusev that the law governing relations in the economy must have strong constitutional support, although the constitutional court rejected it, for otherwise it would be dangerous to submit such a law. This implied that the entire legislative power would be assumed by the government. That is what happened. My remark was ignored.

[VECER] It is a fact, however, that your contacts with the government lacked something. Why was that?

[Andov] This could be seen by the way some members of the government, including the prime minister, were addressing themselves to the representatives in the Assembly. I think that it is an error to believe that the government is superior to the Assembly from all points of view. I cannot simply force the Assembly to work outside of its agenda. I must always point this out, and the fact that other people may question this is a different problem.

On Tupurkovski, Gosev, Miljovski...

[VECER] You have not answered our question about your own authority. Let us phrase the question as follows: It is being said that you have removed Tupurkovski from the political stage and that you are irked by ministers such as Frckovski and Miljovski, that you cannot tolerate Petar Gosev, and that, as you yourself confirm, there are times when you fight the former prime minister. It is also claimed that your relations with President Gligorov are well-balanced but allegedly because he is aware of your power and your connections with the powerful body of directors, and so on. Your comments to such statements?

[Andov] In my view, this is nothing but ordinary coffee-shop talk. Nothing else. I have never had a conflict with Tupurkovski.

[VECER] When he was in Austria it was your party alone that reacted to his statements.

[Andov] Let me tell you this. You must have a talk with the party. This would be a good idea. They would probably ask you why you failed to react. To the best of my knowledge, VECER did react.

[VECER] Yes.

[Andov] It is not clear to me why would VECER react and the party not react. And why should I know that the party has reacted and how?

[VECER] The impression remains that the reaction came only from the liberal reformists.

[Andov] Perhaps no one else understood the essence of the matter. I do not know why.

[VECER] Could it be that you were better informed?

[Andov] After a while I asked about this communication. I was told that it was based on a statement made by Mr. Tupurkovski in Vienna. What was important to me was to know whether they had some kind of argument, and I did not ask any further. This is party work, let us understand one another. Mr. Tupurkovski has always had the option of engaging in discussion with those people in the party, providing explanations, and so on. Now as to relations with Gosev. I have no bad relations with Gosev whatsoever. It is simply incredible to me that you would be telling me such a thing. On the last day, when Gosev was unable to form a government, we had a talk and I told him what my powers were. Well, this man is alive, ask him. I told him on the telephone: In my estimation, the situation is such that if you were to submit a government, everyone would have to vote, so better not do it. Therefore, we have no conflict, Gosev and I.

[VECER] Therefore, everything should be ascribed to evil tongues?

[Andov] I do not know. Why would I have a quarrel with Gosev? We have no conceptual conflict because we have not had any concept on which to disagree. Let us say that he would suggest a concept on the government, and my habit is to say what I think. At that point there may have been some differences. However, matters did not go that far; the man said nothing. Otherwise, I trust him. I think that he is a reasonable person, and a capable one.

[VECER] Yes, this is interesting; it seems that we have been quite poorly informed if the situation is such as you describe.

[Andov] And why have you never asked me? Let us sit down together with Gosev and let him tell you if we have ever had a quarrel....

[VECER] Not only with Gosev.

[Andov] With who else? Let us say, for instance, with Jane Miljovski. You and everyone else are ready to hail Miljovski for his concept. Anyone who may have a different idea is immediately against Jane Miljovski. Is that it?

[VECER] No.

[Andov] Well, if this is not the case, what is it? I have a different idea and I expressed it to the Assembly. When have I spoken, and in front of whom, against Jane Miljovski? Find even a single person who could claim that! What have I ever done against Jane Miljovski? Naturally, these are fabrications. If you wish, if Jane

Miljevski would say something and I would say something else, even then I would not have a quarrel with Jane Miljevski, and no one should expect that I would. I think that you too have the right to say that you do not agree with some of my views or those of Frckovski. Furthermore, Frckovski could have become a minister if he had a quarrel with me or my party. We are supporting him. The very first time when we elected him with 61 votes I voted for him!

On Shares of Stock...

[VECER] Therefore, other than such disagreements...

[Andov] These are normal disagreements. For example, I do not approve of VECER making public the ideas contained in the law on the intelligence and investigation agency, or to ascribe this and that to the president while I, as chairman of the Assembly, have no idea about the drafting of such a law and about what type of law this would be. This would indicate that our parliamentary group was out of touch. What kind of coalition partner would that be? I have not made such a stipulation yet, but I shall. However, this does not mean that I am against Frckovski. I think that in order to be able to justify a law, it would be suitable to check his ideas with the parliamentary groups that will support him. This could only help him, and nothing else.

[VECER] Therefore, other than the examples you have given, your relations are normal and good?

[Andov] I have no problems whatsoever with this man. Why is it that...

[VECER] We are referring to overall relations within the government and the Assembly?

[Andov] They are absolutely normal. I also consider that it is absolutely normal to have sparks and to make corrections. This is not a one-party government, as that of the previous system. And matters cannot be precisely the way someone may conceive of them. As to the power, do not juggle with this term. My power is to see to it that the agenda is followed. I have no other power whatsoever. I have no power even within the Assembly as to who would be part of my cabinet. Not to mention the changing of ministers or bringing governments down.... One of my advisers has been waiting for four months for an official appointment. Talk about my power is just talk. No one needs the type of power with which he does not have to justify his weaknesses....

[VECER] Why then is there such talk?

[Andov] I have no idea. Find something that is factual, and then speak.

[VECER] We are speaking of the directors. There has been a great deal of speculation about your alleged close relations with Makpetrol. On television you denied that you own stock in that company. It is being said that your wife has stock and that this way the stock stays in the family.

[Andov] Let me tell you this. She was employed by that company. We went to Iraq and she did not buy shares from the first series. She bought stock from the second series. To the best of my knowledge, the cost was some 140,000 denars altogether. In Makpetrol she probably has fewer shares of stock than anyone else. I have no stock. It is no shame to have stock. I would have liked to have some. Unfortunately, I do not have any. Not only in Makpetrol but nowhere else. I have one share worth 17,000 denars deposited in the Commercial Bank, as a loan guarantee. My ownership of stock is being fabricated so that people could attack me. I am not interested in such attacks. If you read the newspapers, it is now being said that someone should detain or kidnap me. I even read this in PULS. People are motivated by a variety of reasons for destroying the reputations of the leaders in the Republic and to question all existing institutions, and so on.

[VECER] On the subject of the stock. Your orientation toward the market is familiar. There is a contradiction between insisting, on the one hand, on encouraging a market orientation and, on the other, owning no stock.

[Andov] I have no money. If I had money I would buy shares of stock.

[VECER] What is the matter? Is your salary insufficient?

[Andov] I do have some family expenditures. Otherwise why should I not buy stock? We should not frighten the people by identifying stockholders. The people must be encouraged to save and buy shares of stock. You are demoralizing the people. Shares of stock are available. I wished I had some but I do not.

About VECER

[VECER] We know that you frequently see our editors whenever you believe that you have been harmed in one way or another. Do you believe that this constitutes normal communication or an effort to apply pressure through the press?

[Andov] Please tell me whom have I seen?

[VECER] You have showed up whenever you have felt harmed, for instance.

[Andov] I have never gone to see anyone. If anyone of you has come across me and has asked me what I think, that is different. I say what I think. As to going to see you.... Tell me, when have I gone to the premises of VECER? Or to see any other newspaper? I go nowhere, regardless of what you may be writing.

[VECER] Do you maintain normal contacts with the press?

[Andov] Absolutely normal. Can anyone tell me where I have gone and intervened? If anyone asks me what I think, that is different. If you think that one should not express himself, that is a different matter.

[VECER] Why do you wait to be asked?

[Andov] You have experience in dealing with me. Have I ever initiated a discussion about your writings?

[VECER] Recently, in an informal conversation, you told us that VECER is waging a campaign against you.

[Andov] No, I did not say that it was against me but against my party. This was in connection with electoral district 111, and it was obvious. After the elections there was not a word said about savings, collections, or this or that.

[VECER] Do you think that VECER was making an allegation concerning savings in foreign currency?

[Andov] I do not know. VECER was writing about it.

[VECER] All the others wrote about it, too.

[Andov] No. VECER was waging a campaign while others were merely reporting.

[VECER] Do you still have the impression that VECER is waging a campaign against your party?

[Andov] You see, I do not read the press regularly. Perhaps I should. I do not know. Let us see what will happen in the future. In the past, that is the way it was. No, I am not saying this, perhaps that was your view on the situation, but this was a fact. You insinuated that I had given to someone a document to get money from a bank. This is both illegal and impossible. You did not ask us whether such was the case. The cabinet had to issue an announcement that this was not so. This is not important. You can write whatever you want, I have never told you anything, I have not gone to you....

[VECER] Finally...

[Andov] You have asked me whether I would like to take the place of the president of the Republic. Apparently, many are those who would like to take his place, but everyone is afraid of my trying to do it. Let me tell you that I am not this person. I am not interested.

[VECER] Does that mean that you are not his competitor?

[Andov] Apparently some are looking for competition. I am not a competitor. I am not oriented in that direction. To begin with, I may put this poorly, but let me tell you that he cannot be replaced. Someone else could become president, but he cannot replace the president. The first president has his role. He deals during his own time, by his own means, and so on. He has his own views. Anyone else who would be elected president may not replace him. There was a major conflict earlier as to who would replace Kolesovski. There were many candidates and look where they are now, they are all out. These are different times. I hope that this very process is developing differently. Personally, I am not interested.

Macedonia Considers Intelligence Oversight Law

93BA0318A Skopje VECER in Macedonian 7-8 Nov 92 pp 4-5

[Report by Branko Geroski: "A Conductor's Baton for the President"]

[Text] *Fierce and, as is customary, extremely politicized debates are expected in developing the idea of an agency for intelligence and investigations, which is as yet to be established and placed under the "jurisdiction" of the president of the Republic.*

How will hotheaded generals tolerate civilian control over their security service?

The draft bill on separating the State Security Service from the Ministry of Internal Affairs [MVR] and making it a separate Intelligence and Investigations Agency is currently being considered by Prime Minister Crvenkovski's office. The public, in turn, is preoccupied with the work of the parliamentary commission for SDB [State Security Service] oversight, of which many people expect spectacular findings concerning the three "affairs" with which it has been dealing for the past several weeks, especially in connection with the alleged tapping of telephones inside the VMRO-DPMNE [Internal Macedonian Revolutionary Organization-Democratic Party for Macedonian National Unity] work premises. Regardless of what will be said and how spectacular it will be (according to some, such will be the case, but who will benefit from all this situation politically remains as yet unknown), we know that the public will be provided a "suitable portion" at the very next meeting of the commission. It will then closely concentrate on the draft bill, which calls for a virtually total reorganization of the Macedonian Intelligence-Security Service.

The First Round

Regardless of any changes to which this draft may be subjected in the government's "make-up" beauty shop, we know that, essentially, it requires an almost tectonic-sized change in the present security structure. There is at least one reason to believe that this process will be difficult and painful: It is unquestionable that it will be necessary to include in the intelligence group the Ministry of Defense Security Administration. As we already know, ever since he became a minister, Defense Minister Vlado Popovski has been fighting trench warfare with the heads of the Army General Staff for control over that service. And although we were able to find out that the first round went to Minister Popovski, and we expect confirmation of this fact by the government, people who know how to read the signs doubt that it is a question of a symptomatic treatment of old chronic ills.

It is a fact that the Ministry of Defense and the ARM [Army of the Republic of Macedonia] inherited from the Third Military District of the Yugoslav People's Army not only its security structure but the same people as

well. Even the then head of the service (Colonel Risto Ristovski) retained his previous position. The latent conflict between the former KOS [Counterintelligence Service] and the "civilian security agents" was apparent for quite some time in a few other clashes between the two ministries (let us mention merely the "misunderstanding" concerning military housing). The recent public exposure of the "KOS affair" made it entirely clear that the battle is still being fought. It is precisely the fact that it was made public that leads us to believe that the grand finale has yet to take place.

It is in this kind of atmosphere that the Army leadership, which a while back openly displayed ambitions of attaining some kind of "autonomy," hiding behind the authority of the Supreme Commander in Chief Gligorov (which they proclaimed by themselves), will have to survive the existence of civilian control over its security service. It would be difficult to assume that all of this will take place without any dramatic turns and, if you wish, without fundamental cadre changes.

The Main Role

The second point, which is expected to be the subject of arguments and indecision and which, as is customary, will be extremely politicized and carried out with inter-party quarrels and political marketing actions, is promoting the idea that the Intelligence and Investigations Agency should be controlled by the president of the Republic. The deputy who submitted this idea, we were told by Slobodan Bogoevski, the head of the State Security Service, was aware of the objective grounds for the dispute. Thus, the draft bill offers two alternate resolutions. According to the first, the agency director will be named by the president of the Republic with the advice of the Security Council (a body that, in addition to the president, as chairman of the council, will include the ministers of internal affairs, defense, and foreign affairs, as well as three other members appointed by the president). According to the second, the director will be appointed by the government but nominated by the Presidency of the Republic.

Either option, however, clearly indicates that the president's choice will be in appointing the head of the agency. The government will easily find a way to prove the constitutionality of either formula but will find it difficult to answer the question of displaying political opportunism in choosing either decision. This issue is not of academic interest, for the question will arise as to whether this initial empowerment will not strengthen even further the constitutional position of the president within a system that is increasingly infrequently described as parliamentary but more frequently as semi-presidential.

This is not an issue of interest exclusively to experts in constitutional law but also a combustible current political question, for many are those who will say that this will make the already strong position of President Gligorov even stronger. As it is, he is already in fact

controlling the key levers of power with the exception, perhaps, of parliament, which is in a state of agony. Accountability to two bodies by heads of intelligence services (to all of them or some of them) is not unknown in some Western democratic countries (such as France). However, in classical parliamentary systems the "commander of the parade" nonetheless is the prime minister, the government, or the respective minister (as is the case in Great Britain, Israel, and so on).

'Cutting Off' the Government

There is yet another important reason for the idea that control should be entrusted to the president to be able to withstand criticism even if it may be free from admixtures of political marketing. Namely, the president is "equipped" with a Security Council, which is an important constitutional body empowered to consider issues pertaining to security and defense and to submit its views to the government and the parliament. It is unquestionable that this constitutional empowerment could be interpreted also as the right of that body and, therefore, of the president, to issue overall directives and guidance in the implementation of intelligence functions. This solution is familiar to some Western countries. The Italian president has a committee with a similar composition and similar powers, and a parallel may also be drawn with the two committees headed by the U.S. President. It must be pointed out that in the case of Italy we are dealing with a country in which intelligence services enjoy probably the most powerful status compared with the other European countries and that the United States is a country with a classical presidential system.

Furthermore, according to the draft law, the president of the Republic will name a special adviser in charge of the agency's affairs. This is an institution similar to that of inspector general, which may be found in some countries. Once everything has come together, it will become clear that even after the responsibilities of the agency along the government-parliament line have been defined, the president would retain control over very strong oversight instruments. The way the text of the law is now drafted, however, the director of the agency will be directly answerable to the president of the Republic, while the government will have retained the right to hold the director accountable.

Deputy Secretary Bogoevski admits that the author of the law has determined that the burden of political responsibility in this obvious conflict is to be shifted to the government, and it is not impossible that there will be a clash to this effect in parliament as well, regardless of the final choice of Crvenkovski's team. It must be pointed out that the law calls for the government to set up a special working body (a kind of interministerial committee) in charge of coordination and oversight of the work of the services. The way matters are now in the political establishment, it is likely that this entire constellation will remain, but it is difficult to predict whether under the conditions of fierce political battles

the cohesion of the government would weaken (as the situation in the present government is defined by some) or would lead to an even greater extent to an eventual clash between the government and the president of the Republic. The question is whether it will not be a matter of disagreement on the level of issuing overall directives and providing direct leadership to intelligence functions, but even of a breakdown of the oversight system, which will mean that the head of the agency will become independent. Ideal solutions, apparently, may not be found, and this is the price of the necessary risk that must be assumed by systems which consider themselves nonclassical (parliamentary or presidential) or, simply put, which are neither fish nor fowl.

Apparent Anticipation

The issue that intrigues ordinary mortals the most is a different matter: How to supervise the use of the specific ways and means, which usually means telephone tapping and opening of mail? A variety of solutions may be found in places that have greater and more democratic experience than we do. The most interesting is the German model, where the so-called G-10 committee, consisting of five members of the lower parliament, has oversight authority. In France a so-called interministerial communications group has been set up for such purposes, while in Great Britain such important work is assigned to a special commissioner appointed by the prime minister.

The draft law seems to anticipate such problems. However, according to Bogoevski, everything is clear to the extent to which we are familiar with the general definition (which is also the legal one) that the agency will not have any executive-police powers. This means that the agency will not have the right to detain anyone, to charge him, or anything of the sort. Furthermore, the special ways and means to be used by that institution do not imply specifically telephone tapping or opening of mail, for the agency will not deal with the so-called protection of the constitutional order, the struggle against terrorism, and so on.

The joke is, precisely, that such duties will be performed by the Security Service under the jurisdiction of the MVR. The extent of the activities of that service will be regulated by the new Law on Internal Affairs, and the people who have said that they will draft this law have as yet to do so. It is then that the question of the use of such methods will be settled.

It would be a mistake to believe that this matter is of great interest only to citizens who may experience unpleasant "close encounters" with the DB [Security Service] people and be harmed in the process. It is not accidentally that most countries stipulate the existence of special courts of appeal which would be independent in trying such cases (at least on paper). The responsibility for such work must be assumed by the security personnel themselves. Namely, the proof acquired with the use of

special ways and means is, for the time being, inadmissible in court, other than in exceptionally exclusive cases. The people practicing that profession, as Bogoevski as well claims, believe that it must be precisely specified under what circumstances the court may allow, for example, the tapping of a telephone. Subsequently, however, when on the basis of such findings there is a court trial, whatever one may have "revealed" on the telephone will be considered valid proof. Such sensitive problems, however, are as yet to be resolved.

Remaining Questions

The question is whether the Commission in Charge of Oversight of the Agency's Work, as earmarked in the draft law, will have the power to act as a kind of court of appeal. It is being said, in truth, that the commission will supervise the legality of the work of the agency, especially when it comes to respecting the rights and freedoms of the citizens and the use of the special ways and means. However, what can come out of all this is not entirely clear. The problem of the current commission that monitors the work of the SDB is that it has neither a procedure nor specific authority (which, defined more broadly, are one and the same). The impression is that issues related to parliamentary oversight will not be resolved entirely with such a solution. However, perhaps something should be left also to the creative minds of the assemblymen themselves.

In any case, this legal text deserves proper attention, the more so since it is not a question of a routine project, for the practices of the former socialist states, which favored a conversion of the systems, indicate that major "tests" must be passed before the intelligence and security apparatus has been restructured. The results achieved so far are totally inadequate. The way we shall accomplish this remains to be seen.

[Box, p 4]

Special Adviser

According to the law, the special adviser to the president for agency affairs will have broad authority. The director must be given access to the agency's documents and be notified of questions concerning its work and given an idea on the implementation of its work program. At least once a year the adviser must report his views to the president, but the director of the agency as well has the right to present his own views.

[Box, p 5]

Protection From Party Abuses

Stoile Stojkov, chairman of the Assembly's Commission for State Security Service Oversight, recently said that the current law on supervising that service is essentially good, providing that its ideological aspects are deleted.

[Question] The law officially grants broad powers but does not provide for procedures. Do you still think that this is a good law?

[Stojkov] I do not agree that there are no procedures. If the law were to stipulate all the details, it would no longer be a law. Procedures are defined on the basis of other laws. This law specifically states that the minister of internal affairs is the official who must grant the commission access to information on the work of the SDB and provide all required information.

[Question] In practical terms, the argument on procedures is about the range within which such oversight is possible.

[Stojkov] The way I interpret this law, the commission is authorized to request the sources of any specific documentation. This precisely is what happens. The commission chairman and secretary review such documentation. Otherwise, I do not even conceive of the possibility for the commission to review the entire documentation since 1945.

[Question] In your view, and on the basis of practical experience, how should parliamentary intelligence oversight be exercised?

[Stojkov] I believe that one of the main problems will arise when, with the electoral victory of a given party, which will set up its government, proper oversight by the opposition as well must be ensured. Otherwise it may happen that such services may be misused by a given party even including doing specific work against the opposition parties. That is why consistent parliamentary oversight is necessary.

[Box, p 5]

Parliamentary Oversight

The commission for agency oversight, according to the submitted draft law, will consist of a chairman and six members of the Assembly. The author of this law has not specified the number of members of any given party (which will be based on the parliament's structure). Furthermore, while this text is being debated in parliament, it would be proper to consider also the eventual possibility for the members of that commission to be chosen by parliament without, however, being members of parliament. A similar practice may be found elsewhere in the world. Both solutions have their good and bad sides and, in our case, the bad side of the present law may be that the commission may find itself in the midst of a political race instead of becoming a body that will provide impartial and firm agency work oversight.

Organizational Problems of Macedonian Military
93BA0320B Skopje VECER in Macedonian 16 Nov 92
p 3

[Article by B. Goroski: "The Generals Have Reconciled Themselves to Their Fate"]

[Text] *According to the table of organization, the administrative hierarchy will answer to the ministry, and the chain of military command to the General Staff of the ARM [Army of the Republic of Macedonia] and the commander in chief. There are no longer any dual command lines. Problems of the military medical complex remain unsolved. A decision is to be reached soon on the assets available to the ARM. The concept is exclusively on paper for now; implementation will depend on personnel changes.*

It seems that minds have been put to rest at the defense ministry. After much tension in the relations between the ARM and the defense ministry, a table of organization has finally been drawn up, so that everyone will now find a place in it. Initially the organization is arranged so that the administrative chain of command will extend up to the ministry, and the military to the General Staff and the commander in chief. Is this a compromise? Not according to Minister Vlado Popovski; what we have here is not a compromise but a model.

In the so-called administrative division the General Staff and its institutions (such as the border, planning and development, mobilization affairs, and other divisions) will be under the Defense Ministry. What is possibly the most important thing is that there is no longer a dual financial system (one for the ARM and another for the ministry), nor is there a two-track arrangement in any of the other divisions. In the divisions there will also be uniformed personnel as deputy ministers who as it were will command civilians. But the opposite will also be true; civilians will also command military personnel.

Personnel Problems Starting Tomorrow

As regards the security and intelligence division, it will be under the direct control of the minister. The General Staff will have a separate security division (for internal security, so to speak), but it too will be subordinate in the chain of command to the division controlled by the minister. In other respects, it will be necessary to clarify quickly the matter of the relationship of this division to the future Intelligence and Research Agency. Minister Popovski believes that the agency cannot be made superior to the division. In this instance the two services must be on the same level in the chain of command and must be coordinated by a special interministerial committee. This arrangement will somewhat smooth the ruffled feathers of the army security people. Or so it seems.

However, it remains to be seen if things will go as smoothly as they seem to be going now. The people at the ministry will sit down and get to work on solving personnel problems. But possible clashes are to be expected when it comes to making decisions, no matter how the system may be designed.

After what has come to light regarding the KOS [Counterintelligence Service] affair, it seems that radical personnel cuts will have to be made, and not just in the security division. Minister Popovski has set up the entire course of work so as first to determine what the situation

is and then to proceed to make gradual personnel changes. There are people in the large ministry building who think that the necessary personnel *perestroyka* should be so sweeping as to be carried out overnight. The concept may otherwise remain on paper, where it is now. But we must wait to see what steps the minister will take.

Unsolved Problems

Many other problems also remain unsolved. No one knows what to do about the military medical complex. In Macedonia there is currently no special category of military insured persons, so that money for both civilians and military personnel comes from the same fund. On the other hand, the military hospital is a separate institution under wartime conditions. Consequently, a certain duality must persist here as well as it does for the military academy. The academy will be a university-level institution. The teaching staff will be selected as are all other personnel. The curricula will be subject to interdivisional supervision, but all life and activities inside the academy will be under the jurisdiction of the General Staff. The explanation is that the academy is also to be a military establishment under wartime conditions.

No one knows what will happen to the Vardar hotel-restaurant establishment and the building administration. For the time being the ministry does not have the capability of taking charge of them. An inventory and analysis of the property available to the army (including military housing) will soon be prepared, and the government will have to decide what will remain under the control of the ministry and the ARM and what will not. They are by no means unimportant elements of the system, because they are being drawn on even now, and even better money can be made from them.

Minister Popovski states that the project has been approached systematically. For the time being it remains on paper. Implementation will reveal whether the conflicts will be resolved, whether the generals will resign themselves to their fate, or whether the old resentments will continue to rankle beneath the surface.

Macedonian Customs Official on Corruption

93BA0316A Skopje PULS in Macedonian 19 Nov 92
p 20

[Report by Blagoja Stanoevski: "Is the Customs Service Corrupt?"]

[Text] Of late, increasingly and ever more loudly there has been talk about the alleged corruption of Macedonian customs officials. In that sense a similar claim was voiced by Internal Affairs Minister Frckovski. A few days ago it was even said that the MVR [Ministry of Internal Affairs] had mounted an operation in the course of which several customs officials were caught providing illegal services. Blagoja Stanoevski, administrator of the Skopje Customs Office, made the following statement:

"I can say that we are cooperating with the MVR on a principled and entirely correct and productive basis, above all in the area of the joint struggle waged against the black market. We have formulated and are implementing priority control over border crossings and frequently work with the police in such control operations in cases of black market deals involving drugs, weapons, and other types of prohibited goods. I believe that some success will be achieved on this level although the possible results of such activities may fall behind expectations. This means that we cannot complain about cooperation and the regular joint resolution of problems. Together with the police we are watching the border crossings where goods are checked by the police and customs officials. The customs share of responsibility remains. However, there also is a lack of assiduousness, inability, and lack of organization in some inspection services. They are still unable fully to assume the functions of the respective union secretariats now transferred to the respective ministries. There also is a disparity between the requirements and the manner in which they actually function, for which reason a number of problems and risks remain in the functioning of the customs service also from the viewpoint of the fast, efficient, and less costly handling of the goods shipped into the Republic. However, under those circumstances the pressure applied by individuals and enterprises asking for a lax treatment of their numerous omissions and weaknesses is tremendous. There have been cases of constant demand for services, including cash payments, for proper treatment of some goods, particularly at border customs offices where the goods are released. Unfortunately, the necessary mechanisms have not been put in place and, other than cooperating with the police, we have no way of qualifying such requests and pressures or going through the courts using any other legal means. With such a great increase in pressure and demands, an increasing number of customs officials have begun to cooperate. There have been cases of bribery in Tabanovce and in the case of two customs officials, demands for overpayments in foreign currency which is then converted into dinars. There has been overzealousness in the acceptance of declarations and their filing with the customs office in Skopje. There have also been other cases of qualifying some items as subjects of preferential handling and, eventually, bribery. However, the biggest problem is that elements of this type of relations are being accepted as normal, for which reason we must rigorously react to anything of the kind. However, the claim that the entire customs service is corrupt and therefore that it has deprived of their dignity and moral fiber the tremendous number of people who seriously carry out their jobs, to put it most mildly, does not correspond to the truth and shows a great deal of ignorance of the way the customs service operates."

Induction Ceremony at Tetovo Garrison

93BA0320A Skopje NOVA MAKEDONIJA
in Macedonian 8 Nov 92 p 3

[Article by I.S.: "Young Soldiers Sworn In"]

[Text] Tetovo, 7 November—Young recruits were sworn in today at Tetovo Barracks in the presence of a large

number of family members, friends, and other guests active in the political life of the community and the nation. The ceremony was opened by the Tetovo garrison commander, and Lieutenant Colonel Ilija Nikolovski and Major General Trajko Postolski presented greetings on this solemn occasion on behalf of the ARM [Army of the Republic of Macedonia] General Staff. Addressing the young soldiers, the general stated that in a short time a small but efficient army had been created as an underpinning of the republic, an army that expressed all the characteristics of Macedonian love of freedom. "This is an army of peace, but if anyone seeks to infringe on the achievements of our country, we will defend our land bravely and with dignity, and we will train ourselves for this purpose. You are worthy defenders of freedom, but worthy builders of peace as well," the general said, among other things.

Macedonian Gypsies on Language in Schools

93BA0324A Skopje NOVA MAKEDONIJA
in Macedonian 16 Nov 92 p 4

[Report by A.L.: "The Gypsy Language in Education"]

[Text] *It has been noted that the party's stipulations on ensuring a three-hour weekly optional study and opening a lecturing facility in the Gypsy language have not been implemented. The work of the Democratic Progressive Party of Gypsies was unanimously condemned.*

Yesterday the PCER [Party for the Full Emancipation of Romanies] held in Skopje its third plenary meeting at which several issues related to providing education and information in the Gypsy language were considered. In his introductory presentation, party chairman Faik Abdi reported that the party's commitments to ensure a three-hour weekly optional study and opening a lecturing facility in the Gypsy language at Skopje University this very school year have not been implemented.

According to Abdi, one of the reasons for this was the work of the Democratic Progressive Party of Gypsies [DPPR]. This party, on the initiative of the PCER and the Republic's council that deals with caring for the cultural and ethnic traditions of Gypsies in Macedonia and the study of the Srilski dialect of the Gypsy language, for which a grammar book has already been written, is in conflict with the Ministry of Education, which is now reviewing its own concepts on the implementation of such an initiative. The letter sent by representative Abdi to the highest Macedonian leadership was read at the plenum. The letter said that so far nothing has been done on the level of training in the Gypsy language. Should the Gypsies, the letter asks, take to the streets to draw the attention of the public before the implementation of our request is undertaken?

In concluding his statement, Faik Abdi issued a warning concerning the unsolved interethnic relations in the

Republic and possible provocations, and once again expressed the total backing by the PCER of the policy of the Macedonian leadership.

Nadira Selmani reported on the work of the three-month Gypsy language seminar in which 105 people enrolled and 65 completed successfully. In this case as well, Nadira said, once again the demands of the DPPR on closing down the seminar and rejecting the grammar book written by Saip Jusuf presented an obstruction. Nonetheless, according to Selmani, that grammar has been universally accepted by the World Congress of Gypsies.

Nedzat Mehmet reported on the information programs in the Gypsy language on television and radio. He said that the PCER is pleased with what has been achieved so far, but also that that party will continue to promote an increasing number of programs, naturally consistent with the economic possibilities of the Republic.

Most members of the party's leadership supported such requests and unanimously condemned the activities of the DPPR. At the conclusion of the plenum, Abdi reported on the already achieved agreement with the government for two Gypsy representatives (Ruzdi Ibrahimovski and Enurlai Ismailaki) to be named deputy ministers.

Status of Macedonian Students in Serbia

93BA0324B Skopje VECER in Macedonian 25 Nov 92
p 11

[Report by M.J.: "Strange Reciprocity!"]

[Text] *Although the agreement between the two ministries is based on reciprocity, our students have not been housed in Serbia, nor do they have access to food. Such facilities have been ensured for Serbian students in Macedonia.*

The Serbian and Macedonian Ministries of Education have signed an intergovernmental treaty regulating the status of Macedonian students in Serbia and of Serbian students in Macedonia. According to our ministry, the agreement was concluded on a reciprocal basis, which means that all the stipulations relative to Macedonians in Serbia would apply to Serbs in Macedonia.

However, the practical application of that agreement indicates the following: Reciprocity has been observed only in terms of the payment of tuition. The rest are privilege awarded to Serbian students in Macedonia but not offered to our students in our northern neighboring republic.

More specifically, it is a question of the following: Macedonian students in Serbia have not been helped in settling in Serbian student homes, nor have they been given access to food in student restaurants. On the other hand, their colleagues from Serbia who are studying in our Republic enjoy such privileges. At the present time such facilities in the Republic are being offered to 97

students from Serbia who have been provided with lodgings and access to student homes; 33 students from the Republic of Serbia are issued coupons (for access) to food.

The excuse for not providing such facilities to our students in Serbia is that it is impossible for the student homes to accept our students because of the great number of refugees living in them. As practically interpreted by our Ministry of Education, this means that the students from the Republic who are studying in Serbia have been left to cope by themselves: They must find a way to pay the high rents charged in Belgrade and find a way to feed themselves inexpensively.

The Macedonian students expressed their dissatisfaction in a petition signed by 84 students and addressed to the Macedonian Ministry of Education. The students demand that their standard be supported in terms of the access to food and student housing. Furthermore, they demand bigger scholarships for subjects for which there is greater demand, as well as health care in student clinics.

The answer to these requests remains to be seen. However, we can say that this applies to students attending the higher educational courses who have been innocently led into a situation of pursuing their studies under conditions that cannot be considered normal.